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The Dragon and Juggernaut of Speculation



James
Hamilton
Howe



JAMES HAMILTON HOWE, M. B.
Author and Lecturer

The
**DRAGON AND JUGGERNAUT
OF
SPECULATION**

AS EXEMPLIFIED IN GAMBLING IN PRICES OF OUR
FOOD PRODUCTS

Written Especially for the Education and Protection of Our Young
Men and Women, About to Enter the Business or Professional
World; and a Warning to Our Produce Growers
and Provision Packers

TRICKS OF THE MANIPULATOR EXPOSED
HOW SPECULATORS ARE ALSO
BUNCOED AND FLEECED

Written by
JAMES HAMILTON HOWE, M. B.
Boston University, 1882
For Ten Years Dean of DePauw University
AUTHOR—LECTURER

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REVERENTLY DEDICATED

To the Service of the

DIVINE RULER OF THE UNIVERSE

And to Those Who Have Been and Are Being Grievously Afflicted

By The

D R A G O N

"We may well be perplexed at human fear; and still more astounded at hatred, which lifts its hydra head, showing its horns in the many inventions of evil. But why should we stand aghast at nothingness? The great Red Dragon symbolizes a lie,—the belief that substance, life, and intelligence can be material. This dragon stands for the sum total of human error."—
Science and Health, by Mary Baker Eddy.

A FINANCIAL BUCCANEER



BENJAMIN P. HUTCHINSON—"OLD HUTCH"

A Financial Traitor to His Country, Who Started the Ball Rollin-

"For years Hutchinson's sinister figure, he of the beak nose and shifting eye, brooded like an evil spirit over "The Pit," a menace to price and peace. He died almost in darkness and despair." —Marcosen.

It is not known that Hutchinson laid claim to great beauty, but it is known that he laid claim to many millions in margins, put up by our people. This serious farce became a continuous performance, until Dragon Senior scooped him into his golden net. "He was later found selling old junk in New York City." "How are the mighty fallen."

*"These six things doth the Lord hate; yea, seven are an abomination unto him;
A proud look, a lying tongue and hands that shed innocent blood,
An heart that deviseth wicked imaginations, feet that be swift in running
to mischief,
A false witness that speaketh lies, and he that soweth discord among
bretheren." —Prov. 7: 16 to 19.*

"And there shall in no wise enter into it anything that defileth, neither whatsoever worketh abomination, or maketh a lie."—Rev. 21: 27.

AUTHOR'S PREFACE

REQUEST—I ask my readers to thoroughly absorb the Preface before reading the following Chapters. This is an integral part and necessary, in order to fully appreciate the salient points of the main body of the book.

A

Some thirty-five years ago, I was led, somewhat by my own cupidity, to invest in what I supposed would render a good profit. The sequel was as follows. There was no profit rendered, and the principal disappeared like "Ships that pass in the night." With a strong suspicion that there was a "Negro in the woodpile", and believing that we had been buncoed; with my post graduate university study and tutoring work, I casually took up the study of speculation, that of the most rabid nature, more as a hobby than anything else; endeavoring to ascertain where my money went, how it reached its destination and who received it.

Intermittently, for over thirty years, these studies have been going on; and having learned something that will be of great benefit to my brother and sister, it now becomes my duty to present it to them, and in the following pages will be found a summary which is given with the hope that the information contained will serve as a protection for our young men, and young women as well, about to enter actively into a business or professional life.

A set of lectures which were first arranged, were the outcome of a natural inquisitiveness which later developed into a serious study of a gross evil. This book was written at the suggestion of an experienced broker, with whom I had associated for several years; who proved himself an honest one; and who gave up a lucrative position in a brokerage office, although a family were dependent upon him, because he saw that his employer was carrying on questionable transactions. Neither was he one who, when you gave an order at a certain price, which he was able to fill at a quarter or three-eighths better, pocketed the difference, as has been done thousands of times. It is considered one of the perquisites of the profession (?). This endeavor to enlighten our people, is not a "Propaganda Built Upon Prejudice", but a denouncement of wrongs long endured.

Of course there are many ways that a person can speculate and gamble. In lands, mines, oil wells, and business of all kinds. Craps, Bridge-whist, Faro, etc.; but the men who engage in these risky undertakings should consider their families before embarking. So many mistakes are made. So many homes are placed at the mercy of the loan man; and the wife and mother placed in a state of mind bordering frenzy.

But this so-called "business" which I am to uncover, is in a class by itself, and far removed from those just quoted. It is not even in the class with those who give short weight on a loaf of bread, or substitute low-grade wheat for high-grade, or mix one with the other, or substitute embalmed-beef for properly cured. Nor with those grafting line elevator men or storage grafters, nor the middlemen who "play both ends."

It is gambling of the worst kind, in which the book-maker orders the horses pulled; the faro croupier presses the electric button at misfortune; the card sharper has plenty of aces up his sleeves, and jokers and jackasses abound.

Here, the victim, sailing at first upon the edge of the whirlpool, is soon drawn into the vortex and submerged. Like the hasheesh smoker, he is lulled into sweet dreams, only to awaken to sorrow and financial terror. It is far worse than lottery; for there, each player generally has an even chance at the prize; while here, there is 98% of chance against one; culminating in no profit, and loss of 85% to 90% of the principal or margin put up to insecurely protect option deals. As carried on at the present time, it is the greatest swindle of the age.

This gambling has been one of the causes of the following statement: "Sixty-six of every 100 persons dying in this country have absolutely no estate; they die penniless. Of the remaining 34 persons, 25 never accumulate more than \$1,300 in their lifetime, and die with less than that. Only 9 persons in 100 have more than \$5,000 when they pass on.

Only 2% of the whole population may be classed as "well-to-do. The other 98% of the people of this country have only their wages from day to day, or are dependent upon their relatives, or upon charity. Of every 100 persons who reach the age of 65, no fewer than 97 are partly or wholly dependent, for food, clothing and shelter."

These figures are not mere estimates. They are taken from Government census statistics.

In speaking to a room trader, that a movement was being initiated for the purpose of exposing the rascalities of the Boards of Trade, replied: "Any one who tries to uncover the workings of such institutions, is a jackass." So I will say, "Let us bray." After a good straight talk, he acknowledged that "they might have discretionary powers as to price making," and this was all I argued for.

Mr. X, a friend of mine, sided up to me one day and said "Mr. Howe, my advice to you is to not to give those lectures." I asked why? "The people will know that you have speculated." The kind-hearted man didn't know that I began by acknowledging this fact.

It is my earnest desire to open the eyes of our citizens, who are being fearfully and cruelly stung. Many room traders, brokers and manipulators may criticise my work, but reader, I have not studied this so-called "business" for thirty years, in order to produce a pipe dream. I have been through the mill, and so have tens of thousands of others, to their sorrow. I give you inside facts, most of which have been established and recorded. The evidence of these tens of thousands who have been fleeced, is enough backing to my statements.

Miss Beatrice, the daughter of a friend of mine, after gazing upon, and listening to, the "daily riot," of the Chicago Board of Trade, looked up to her mother and said, "Mamma, what kind of animals are those down there?" I do not wonder, for here you will witness a seething mass of rampant humanity; their gesticulations far outshining those of the maniac. Their roarings are like those of the "Bulls of Bashan," and their dancings suggest those of the Dervish. A veritable pack of desecrating hoodlums.

If the citizens of Chicago only knew what they were about and what these hawks were about, they would root out this gambling in foodstuffs and tip them out neck and crop. The citizens of Chicago have been roundly soaked just the same as anyone else.

B

Where there is so much that is beautiful in this world, it is unfortunate that we have to uncover so much that is bad, in order to root out error, which has burdened our people for sixty years. Evil, or error, must be made so black that we turn from it with loathing. My duty in this matter is to present these findings to you for your protection. I have endeavored to present the case in such a manner, that the Citizens of the United States will be impressed with the enor-

mity of the crime that is being perpetrated upon us. The greatest woman that ever lived, has said:—"Whatever enslaves man, is opposed to the Divine Government."

Mr. Charles W. Smith, in his excellent work, "The Economic Ruin of the World," makes the following dedication: "To HONESTY, the best and what ought to be the only policy—financial, commercial, or political applicable to men as well as to nations. If the basis of these policies is dishonest—honest capital, as well as honest labour (the most sacred of all capitals) must inevitably suffer."

He also truthfully says in his "Preface": "A Nation that desires to know the truth, the whole truth, and nothing but the truth, about these 'Bull and Bear' gambling operations in Trade and Finance, will have no difficulty of *ascertaining* it. I find it most difficult to comprehend how any honorable man, capable of seeing, reading, thinking, and understanding, and of reasonable intelligence, can fail to understand, and is not bitterly antagonistic to these shameful systems, based upon blackleg robbery, shapen in iniquity, and conceived in sin." He hits the nail on the head.

What I have written as to what is going on in the various Boards of Trade, is the truth, if only an infinitesimal portion; and my statements are backed by brokers of long standing and who know, (what used to be, but now no longer) the game.

I write as I see the situation, and there are thousands of others who see it in much the same way, but who have not chance, perhaps no desire, to publicly voice their conclusions.

Our people surmise in a general way, that questionable transactions are being carried on in these Boards of Trade; but they demand concrete evidence to convince. They need to be instructed as to methods used and practices imposed; and further there should be some real live examples presented, of those who have been injured, in order to become fully impressed with the enormity of the crimes against the home and nation.

This book is written, with the hope of putting a little crimp in a certain manipulator's wholesale peculations; and it will, if I can induce our people to read it.

Please note throughout my book, that it is the "Economics of the Home" that are disturbed. That, in itself, is murder. One will understand my personal feelings of grief, when I state that twenty years of home life have been taken from me by my rabid speculation; and the sympathetic sorrow I have for the wrecks that are strewn over our country.

I am not a capitalist, nor a socialist, although I believe in higher socialism: the greatest good for the greatest number. Rabid speculation acts to the contrary.

Higher socialism, I feel sure that we are agreed upon. Trust business, we might differ, in some respects. Legitimate business we easily agree upon. Illegitimate (sheltered under the false canopy, entitled business) or speculative gambling, we *should agree* at being *wrong*, and *working the largest amount of harm to the greatest number*.

And, my reader, don't you allow any one high in the speculative arena to confuse you, or endeavor to prove to you to the contrary; for he could only put up a bundle of untruths, worthless for your use and damaging in the extreme!

C

Speculation, leaving out the rabid, has such a reputation, at present, that if a bank president learns of an employee of his institution visiting a broker's offices, how long before said employee would be "called upon the carpet", or receive a formal "services no longer desired"? And Bucket Shops! well, perish the thought.

Not only do we need to protect our boys mentally and financially; there is also a *great moral issue*, which overtops all statements herein made.

I have neither given instruction how to trade upon the Boards of Trade, nor the raising or distributing of food products, nor how corners were run. Matters of executive nature have been well taken care of by writers of note. I have shown up the *pitfalls* and tried to present the *dangerous side* in such a terse and truthful manner, that he who reads, may run away saying—from such error and pest "Good Lord deliver us."

No matter how much I may read market reports, financial news, crop statistics, etc., my guesses (yes, I call them guesses, and they are, unless you are the boss manipulator) upon future market prices, are made strictly from a gambling point of view; which, as markets are now run, is about the only safe (?) way. Statistics are a blind, a delusion and snare, for the absorption of the *hoi polloi*; and are used profusely by the manipulator as an aid in carrying out his nefarious plans. With all my study I can not guess (?) rightly every time. About four out of five is my limit. This is a little better than Keene, who used to guess rightly four out of seven. Some time ago, a friend was discussing the pork question. I believed at that time that Dragon would

carry the price up after little more decline (he can place the price anywhere he pleases) but there were too many trailing after him, and he turned upon them and smashed the market price for about \$7 a barrel, before he quit. At this point, after a session of quiet, I said buy all you please; and it has never struck that figure since, and will not for many moons. However, I am not in the business, and must desist from giving opinions as to future trends of the markets. I might state that pork has since struck \$29.25.

During my studies and writings, when I used to occasionally look out of my hotel window and gaze upon the exuberant life of hundreds of young pupils of the public school, I was given a new impetus from time to time, to continue my work in endeavoring to correct a grievous error, with the hope that at least from such a corner, they should not be hampered in their life work. My hope is to get people to thinking. That being obtained, something will be accomplished. If in some degree this book might follow "Uncle Tom's Cabin" in helping to release thousands from the slavery of *rabid speculation*, what a blessing it would prove. I will, of necessity use some "Shop Talk", which may be more effectual than artistic.

Watts said: "Each department of life has its language, expressive, if not elegant, and in dealing with this subject, we must perforce adopt the language of the Street."

It grieves me that I am forced to chronicle such an array of deviltry, when there is so much of goodness in the world that would better be presented. But I would be derelict in my duty if I did not, in some degree, complete the task I have set before me, for the enlightenment and protection of our young people who are to take up the burden of running our business and state.

And when I think of the thousands that are passing through what I went through, and are being ruined today, and will be tomorrow, my heart goes out to them, and I wish I could abolish this license at once.

Of the Remittance Men, who often lose in this gambling, I say but little. They are parasites anyway. But of the fathers of families, who are drawn in, I have much to say.

Marcosser says: "Food and clothes are the essentials of life. The man who attempts to corner the staples that provide them in order to extort an extravagant profit, and to put his competitor at a disadvantage, serves no economic purpose, and, by some mystic rule

of retribution, always comes to grief (?). Herein lies the lesson of all (?) corners." I doubt him. I will say this: that a person who sells short something that he does not own, with the express purpose and determination of depressing the prices of a commodity owned by another person, is a traitor to his fellow compatriot and his country.

The persons engaged in this Board of Trade, so-called "Business", are financial parasites. They live upon the passions and weaknesses, gains and losses of others.

We might call them of the genus Epiphyte (plant upon plant) better, of Torrubia (plant upon animals, inside and out). Their leader, Dragon, is like unto the parasitic Jager Gull, that makes the successful gulls that roam along our coasts, disgorge their plunder.

With fairness, we might liken Dragon's henchmen unto plant lice, or fish lice, called copepods, for they war against and destroy parity of production and consumption; and, without right or reason, make it more difficult for us to secure a living.

Brokers may think that I am bitter against the Boards of Trade. In answer to this, I will say that, if thirty years ago, I had been possessed of the information I now have, after years of study and reading; I never would have invested my money in an absolutely losing game. It is for this reason that I desire to inform, warn, and thus protect especially our young men, from this fever of rabid gain, this desire to get something for nothing; this destroyer of body, mind, and that which makes for the better life. Boys, read the books I have listed in Appendix 1.

D

Where I say Board of Trade, or Chicago Board of Trade I mean several scattered throughout the country, together with their sub-offices. Dragon practically manipulates them all, through one at Chicago. The Chicago quotations are found in every other exchange.

I realize that I am a diminutive David going up against an elephantine Goliah, and my stone is only a few-paged, six by nine, book.

As to what each speculator has specifically wrought, I refer you to the books and periodicals given in Appendix 1, and daily papers published throughout the United States.

The stories given throughout the twelve chapters, have for years been common property, and I give them about as they were retailed to me. With the exception of a few minor details, they are probably

correct expositions. Those of my own experiences, I certainly can vouch for; and for those given in Appendix II, I have letters in proof, and can vouch for their genuineness. These represent various grades of deviltry and goodness.

I do not doubt that many of my readers will ponder somewhat over the statements made, and then go right back to the broker's office and don the yoke, forgetting the truths which I have herein embodied. They will remember what I have written, after they have lost their all, and are down and out. My dear fellow, kindly look at the illustration of "Busted and Blighted, yet Reminiscent" before you go back, and see if you wish to "jine de chorus." There may be a joker in it, but I assure you that the result of an active participation is no joke.

The Bucket Shops, the so-called illegitimate children of the Board of Trade, are being hounded to death by their parent, and yet they are only carrying on the same questionable game as their parent, a veritable case of Ishmael. Is that consistent?

In speaking of my book of information and protection, some replied, "The people want to be humbugged. They want as much of the element of chance as possible." This might have been so in the time of Barnum, but I believe that the up-to-date men and women desire, and earnestly, to know the truth in all matters temporal and spiritual. Illusions in the past were perhaps greatly enjoyed for a season, until dispelled; but this illusion, deception and snare, is a serious one, debasing and disastrous in the extreme, a thousand times worse than nothing.

Listen to Hamlin, governor of the Federal Reserve Board:

"There is a tendency in this country toward unwarranted speculative activity. Brokers have issued warnings in vain. Margins have been increased. The relations between investment and speculation, for the time being, are ruptured. They are giving fictitious values to unstable securities. They are building on a foundation of hope and fancy."

Following this with the hypothesis that there are three kinds of untruths, "lies, damn lies, and statistics"; and that "figures can be made to prove anything"; we might consider Rabid Speculation as an entrance into the "fourth" dementia.

A large portion of this work is a confidential man-to-man talk, given in the usual conversational tone carried on during an ordinary casual meeting. I believe my readers will enjoy this better than if I seemed

to be up in the clouds and far away. Boys, I am with you, so lets sit down and read together.

While most of the matter included is of a very serious nature I will digress, once in a while, and "blow in" a little merriment, as it were, with some frivolous doggerel now and then. There are matters of such foolish nature, that occur from time to time, that one wonders at the twist some brains will take when under stress of circumstances.

While at times they fly around as if a scorpion had pricked them, at other times they are afflicted with "mal mesmerism or mental apathy."

Although a few stories are included in the book proper, others are given in Appendix II, and more will be given in future editions.

One person said to me that if he had not speculated, he could now be holding a position with a salary of \$15,000 to \$25,000. When I asked him to write out his experience for insertion in my book, he said "No, just let me forget it, if I can." Forget it if I can! That is the sad chant of millions. I respected his feelings and ceased to urge further.

If those of my readers who have felt the fangs of the Dragon, will send me a truthful and explicit account of how they were drawn in and how much they lost, I will be glad to make use of it in future editions. By so doing, you will be a help and protection to thousands of your fellow beings. No names will be given without permission.

The day of "admiration for the banker, broker or financier, through whose agency our money has been lost", is over. We now demand exposure and restitution, and we are getting it.

After the water is well out of our stocks, we will have less of such questionable business. Through our mail, and telegraph service (as soon as our Government takes this over) we will easily get at them.

Now there is Henry Clewes. He is a fellow I would like for a friend. From the bottom of his heart, he wishes to have the Wall Street Stock Exchange run right; but he knows that it can't be run properly, until marginal trading and short selling are abolished.

E

There are such a multitude of "Tricks" used to deceive the public, that we have space for only a few out of hundreds that are played. They say that speculation is "a science requiring exceptional talent." Yes, as carried on at Chicago, New York City, and some other centers, it is a science in *Rascality*.

Our Government leaders should remember that we are not dealing with a novice when we run up against the Chicago Board of Trade. We are running up against the craftiest robber of them all. You must use his tactics, if you would get at him. With a person of Dragon's calibre, at the helm, you must use the utmost secrecy, as he does. You must bribe as he does. You must gather your data as carefully as he does, and verify it as often.

Some may say that I am a socialist. That would not be such a questionable name to have, would it? However, up to the time of writing this paragraph (1916) I never attended a socialist meeting.

Some may say that I am not loyal to my country, speaking and writing as I do. Surely, I (who hail from the land of Whittier, Hawthorne and Elizabeth Stuart Phelps Ward; who am descended from two Colonial Governors of Massachusetts; from Anne Dudley Bradstreet, the first poetess of New England; from a line of military men who fought on Bunker Hill and in the war of 1812; and whose relatives represent some of the flower of philanthropy, moral and civic progress, namely—George Peabody, Oliver Wendell Holmes, William Ellery Channing, Wendell Phillips, Richard H. Dana, Elias Howe, and many inventors and artists) can not be anything but loyal. I am chastizing our legislators in order that they and our citizens may be awokened to recognize this evil, and correct it; not aid and abet.

Some of my readers may say, as our Massachusetts Governor, John D. Long, said of Wendell Phillips, that I am "more admirable in intent than expression."

An acquaintance, and former room trader, who has several times "received it in the neck", said, in answer to my announcing the publication of this work, "The people will pay no attention to your book until they are caught and learn a lesson, as we have." I am of a different opinion. The up-to-date young man and woman desires to be correctly informed. This earnest desire for truth is growing every year. I believe this book will be appreciated.

In speaking to one person, in regard to the various rascalities being carried on upon these boards and exchanges he said: "I thought it was necessary to have marginal gambling to create sufficient stock business." Yes, it is necessary, in order to work you into the jaws of the manipulator.

I have written this book as I would write it for the enlightenment and protection of my own son.

The stories related serve to show the real and devilish workings of "Dragon and his Juggernaut", and Dragons in other fields. One can apply these right down the line from Board of Trade, Wall Street, Broker's Offices and Bucket Shops. All turn out the same sort of sad grist. Those who doubt my statements, read from the Reference Books, a list which will be found in Appendix I.

F

You may say, why not expatriate a little upon Dragon's good points? Didn't he do something to redeem himself? These points already have been magnified out of all proportion to his bad ones. Reiteration, at this age is bad form. I have tried to show the public, what has never before been presented to them in all its enormity, especially gambling in our food products. As "The Globe" said of Rockefeller and like creatures, "We are not unaware of their many good qualities. But that does not effect the real issue of which Rockefeller (Dragon) is a symbol." Tens of thousands are by him furnished work. Yes, and why not be content with this? Why induce other tens of thousands, using his enormous power for deception, to part with their money for nothing, bringing untold suffering to thousands of families?

Prof. William Ostwald's "Economic Oscillations" and "Wave Movements" are abnormally stretched or utterly annihilated by Dragon's tactics; and Norman Angell, in his "The Great Illusion", could not use his theories with Dragon's unrighteous manipulations.

This swindler is standing in the way of God's progress, deceiving the people, right and left.

What an awful position to take! Think of it, my friends. Standing in the way of the Ruler of the Universe.

Here he is deceiving and ruining thousands, yes, millions of God's creations. What a lovely occupation for any decent person to be engaged in. He ought to hang his head in shame at such conduct; and bringing such destruction and sorrow upon humanity. What will the Divine Ruler meet out to such an one? Will his last days be as sad and sorrowful as his father's?

What is a swindler? Webster says "A swindler, is one who swindles or defrauds grossly; one who makes a practice of defrauding others by imposition or deliberate artifice." The last two words especially fit the case.

Dragon considers us, who are workers in grain and vineyards, his

slaves and his special province for robberies; in like manner of the buccaneering barons of old; and disrespects us accordingly. What were women considered in those days? Chattels!

Dragon considers us meet and drink for his hoppers. War, in the time of the Robber Barons, was considered the only respectable business; and this financial warring buccaneer, licensed and protected by the Government of the United States, considers his deviltries respectable.

It is said that previous to the time of these "Barons", the ruling government, not being able to quell the robbers, made a bargain with them. They were to give a royalty from each robbing, and thus they were licensed and became "Respectable." Isn't the present position of the C. B. of T. and the U. S. of A. a parallel case, with the bad actors transposed, and, as it were, "the cart before the horse"? This is also said to have been the beginning of levying of the "Poll Tax" upon the peoples of the world.

This is the anomalous position that our Government is in. It licenses this Chicago Board of Trade, and then makes laws to curb the rascalities carried on there, and seemingly has no power to enforce them.

During the present war, Dragon has taken advantage of this catastrophe, and will clean up somewhere between \$40,000,000 and \$60,000,000.

He probably considers that he is financially elevated in accordance with "divine right of kings." He will hold to that thought until the Government topples him from such an abnormal and erroneous perch. That old doctrine may go in Europe and the Orient, but not with us.

G

While Elbert S. Brigham, Commissioner of Agriculture for the state of Vermont, and others are endeavoring to preserve a proper parity between production and consumption, supply and demand, Dragon is using his capital and gambling paraphernalia to destroy this happy medium, where both producer and consumer can meet on common ground and poverty lessened, and is successful. His crimes go untrammeled and unpunished.

A writer of Springfield, Ill., states: "Poverty is a breeding place for commercialized vice." According to the Illinois senate white slave investigating committee, "Poverty is the principal cause of immortality.

Poverty creates in the home a breeding place for commercialized vice." According to the Illinois senate white slave investigating committee, "Poverty is the principal cause, direct or indirect of immorality. Thousands of girls, it says, are driven into prostitution, because of sheer inability to keep body and soul together." And we have in this country a Hydra-headed monster whom I call Dragon, this swindling criminal who, with all of his commercial backing (which means hundreds of millions), and years of accumulated gambling paraphernalia at his beck and call, producing these conditions.

This book does not strike at those merchants doing a legitimate business in the Board Room of the Juggernaut. They are about the only redeeming feature. May they in time, be the only traders in the, at present, American Monte Carlo of Wind Speculation. Of Dragon's "evasion of railroad rates", "refrigerator freezeouts" or "competitors undermined", I say but little. Some Packers are fined to-day \$117,000. Piffle!

Dean Swift wrote: "We can see what estimate God places upon wealth, as He bestows it upon some of the meanest of all of His creations." We might add a few lines that a talented tramp was heard to utter:

*"A little thieving is a dangerous part,
But stealing largely is a noble art;
'Twas mean to rob a henroost of a hen,
But stealing thousands makes us gentlemen."*

Maple, in searching history, found that, "Two hundred years ago there stood on the English statute a law which forbade the nobleman, when he went hunting on a cold day, to kill more than two serfs to warm his hands in their bodies."

While appreciating the enormity of Dragon Junior's crimes, I blame the Government about as much as I do him. As I have written in a following chapter, he should be protected from himself. Like "Phaeton", his horses are carrying him on to moral destruction. As a husband and father, as far as I know, he is faithful and true. As a philanthropist, he is a semi-failure.

As a financial buccaneer, he is a success. But of his wages, I want nothing of them. Here we jail thousands who take from us a loaf of bread or \$10,000, and allow these windy robbers who relieve us of hundreds of millions, to live in gilded palaces.

My dear reader, put this in your pipe and smoke it. Since the year 1872, or thereabouts, to say nothing of many failures, has any

surface trader on the Chicago Board of Trade ever run more than one successful wheat corner? Name the successful ones, Lyon, Hutchinson, Harper; Pardridge, and Leiter (possible exceptions) Phillips, Cudahy, Fairbanks and Patten. Lyon, Partridge and Patten, stand out exceptional examples of keen surface men.

Lyon and Pardridge were soon eliminated after Dragon became active and Patten was careful enough to take the side of Dragon in his success of 1908-9. Dragon later secured a million and a half from Patten, before Patten "woke up."

It is useless for anyone to try two consecutive big deals at this date. It is also very dangerous to try even one. "The Dragon'l git you, if you don't watch out", with apologies to the wraith of Riley. Even "Deacon" Drew, after becoming a "down and out", said "To 'speculate' in Wall Street, when you are no longer an insider, is like buying cows by candle light." The Great Plunger, Dan Sully, after his wings had been clipped, said, "We must have Governmental control and supervision over cotton." How much more do we need it over Food Products. Between the pilferings of Dragon, "Rockefeller-Stillman" crowd, and several other grafting combinations, including the "Steelers", we will, in time, according to some, be as the Roman slaves, glad to accept anything.

H

I do not give information as to the amount of wheat grown, now in the hands of the farmer; distribution, consumption, etc. That is splendidly taken care of by able writers. As I previously said, I stick close to the "Speculative Gambling" side of the subject. Dragon Junior has had this error burden thrust upon him, so do not think too hard of him, but reserve some of your bitter denunciation for our Senators and Representatives now encumbering the sacred Halls at Washington. I strike Dragon Junior severely, and do so, that he may be awakened to the error of his ways, and the enormity of them.

I can realize how the "old timers" enjoy an occasional meander into the scene of financial carnage; and they will prance like war horses, upon inhaling the scent of smoke of battle. It brings back old times, old scenes; and these old sinners in this field of human activities, love to ruminate and enter the reminiscent, amid the ticking of wire instruments, rustle of the tape, chalk scratching upon the quotation board, passing shop talk, etc. I do not expect to reach these hardened pachyderms. It is the young men and women I am after,

and I depend upon the parents to assist. They should see that their sons secure this book from their local library, and see that they carefully read it; better still, if the parent reads with them. If faithfully carried out, I feel confident that our boys and girls will be well protected from Rabid Speculation.

To whom shall I specially turn for assistance? To the women. The American woman, God bless her, is not afraid of anything nor anyone, when it comes to defending her home and loved ones.

I

I herewith thank those who have assisted me from time to time. Writers, to whom credit has been given throughout the work. To a few Chicago brokers, with whom I passed portions of many days in interesting and instructive converse, gaining truths I could not secure from any other source; who innocently unbosomed themselves for my edification and the enlightenment of the gulled public; during such time as I was upon the floor of the Chicago Board of Trade. To the Commission Agents and different Bucket Shop Proprietors, for the evidence they also submitted for my use. To the room trader who innocently dubbed me a "Jackass", and stirred me to renewed activity; to a noted Ex-Judge, for kind advice relative to the subject treated. To a Chief of Police for careful revision. To the "Daily Bulletin" of the workings of the Board of Trade, and daily papers, for transcriptions of telegraph dope, for varied truths and untruths disseminated. To those who have presented me with personal accounts of disasters to homes of our Republic. To various periodicals, books and papers; and for excerpts (see List of Appendix I.) To the Assistant Librarians of a Carnegie Library, for timely references, and those who furnished appropriate sketches for half-tone, namely: Miss Sarette Manter and Mrs. Grace Jack-Ketcham. To those who have reviewed my manuscripts, from these I specially mention a broker of fifteen years' experience (see his letter, No. 1 of Appendix II.); and those who have written letters of sad experiences, and others who have commended my lectures and book. Those who subscribed liberally to the balance needed to finance the First Edition.

To a young lady who invited me to assist in the divine services of a Christian Science Church, where I received some of my best thoughts for this work; to One who advised my retention for the regular incumbency; and, in conjunction with others, gave needed advice and encouragement in certain uplifting studies; and to the members and supporters of

this same church, for corporial sustenance while writing and collating for the last four years.

To the eminent Attorney, Charles D. Fullen, I am deeply indebted, for erudite information and various citations, decisions and arguments of real educational value, which should receive most wrapt attention. These will be found in Chapter XI. These were not handed me until nearly all of my work was written. They were such verification of my statements, that I included a portion, with his permission, in this volume. Mr. Fullen is a past-master in the knowledge of the workings of the Chicago Board of Trade. Here is a man, who, if our supine Government really desired to uncover this rascal, is fully competent to do so. With this case in his hands, he would show up Dragon in the role of a financial pirate, and do this in a legal way. When will we have a President with backbone enough to order this to be carried out? We can not hope to have the hundreds of millions already taken from us, to be turned back to the States from which they were taken. But we do have a right to keep other millions from going into Dragon's hopper.

I am indebted to my brother, with whom I passed many blissful years in Boston, who, after I had acquired some knowledge of speculation from him, was sorely tried because of my stubborn continuance in practice at that time; and who has grieved because of my serious study since then. He little knows how much good this experience may work for our people, if they believe me; and how much they will bless him for his share in preparing me for this work.

I am deeply grateful to my cousin, Miss Clara M. Bixby of California, a devoted student of Christian Science, for past encouragement in my art and while writing this book; and who provided funds for half-tone plates, and later, a generous loan for the purpose of beginning the work of publication, so that the work could be given much sooner to the people.

I desire one thousand attested evidences, from those who have had their homes or loved ones wrecked by speculation, for future editions of the work. I will not use names of victims, nor of those who report, unless so authorized. Also matter (data or story) bearing upon this subject, will be gratefully received. Send all communications care of the Publishers of this work.

In closing, I wish to say that if I was writing a sermon upon such questionable transactions as are now being carried on, especially in

Chicago, I would take for my text the following: Isaiah, Fifth Chapter, 18th Verse and parts of the Twentieth Verse. "Woe unto them that draw iniquity with the cords of vanity, and sin as it were with a cart rope. Woe unto them that call evil good, that put darkness for light, that put bitter for sweet." And First Corinthians, Tenth Chapter, Twelfth Verse, "Wherefore, let him that thinketh he standeth, take heed lest he fall."

Respectfully submitted,

THE AUTHOR.

THE AMERICAN MONTE CARLO



EARLY DAYS IN A CANAL BOAT
Mistake Not Toadstools for Mushrooms



CHICAGO BOARD OF TRADE IN 1872
Marginal Option Trading Worked Here—The Greatest Swindle of the Age



THE CRUEL PITS
Where Hard Earned Millions Disappear



THE HEARTLESS BROKER
Some of Dragon's Henchmen

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AND
SUB HEADINGS

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"Lo, this is the man that made not God his strength; but trusted in the abundance of his riches, and strengthened himself in his wickedness."
—Ps. 52: 7.

"Though he heap up silver as the dust, and prepare raiment as the clay: . . . Men shall clap their hands at him, and shall hiss him out of his place." —Job 27: 16 and 23.

CHAPTER ONE

INTRODUCTION

In presenting this work which is written for the purpose of assisting in uncovering a gross and grievous error, an error acknowledged in a general way, but not specifically understood and appreciated in its enormity; I seriously and prayerfully extend to the reader for his edification, thoughts and carefully made deductions that have been surging through my brain for some thirty years, relative to an institution which is and has been, for the last fifty or sixty years, luring, crushing and grinding our humans into the pulp of disaster and ruin.

Why this financial Juggernaut, with its Drivers, has been allowed to roam at large over our beloved country, spreading a network of speculative miasma, blasting homes that have been reared and carried on under the grandest banner ever swung to the breeze, coupled with Divine Love; I am unable to fathom. Like leeches they continue to suck the life blood of both young and old.

By the most crafty deceit and wily tricks imaginable, they have been undermining the honesty and probity of a portion of our people, and continue to draw into their nets, those of high and low estate; from the bank president to the clerk; from those high in authority to the common laborer.

The Driver of this Juggernaut, like the *Dragon of Niebelungen*, scatters destruction and leaves dry bones along his pathway. Like the *Octopus*, he saps the energies of our people, wherever his tentacles may reach.

Here is a human that has been educated to deceive the world! What an education.

He is trying to emulate (without philanthropy) John D. Rockefeller (God forbid) in becoming one of the richest men of America, by robbing, not only the poor hard working people, but also the middle

class and rich. All grist is baited for, and he succeeds in hooking all classes.

Dragon takes advantage of Drought, Hail, Wind, Rain, Frosts, Floods and Fire; and Thistle, Cactus, Cockle, Wheat-Thief, Wild Mustard; diseases of Scab, Smut, Rust, Leaf-Blight, Powdery-Mildew; and such pests as Marauding Hessian Fly, Chinch-Bug, Wheat Plant, Wheat Midge, Wheat Plant-Louse, Grasshopper, Green Bug, Straw Worm, Bulb-Worm, Saw-Fly, Army-worm, Granery-weevil, and Grain-moth. He can make a mountain out of a mole hill, with these agile gnawing swarms; and does so to his own advantage.

He is like that specimen of genus homo, who is able to sell us a lot upon the map; and when we conclude to improve it we would have to hire a diver to find it.

The Devilish Tricks that He Daily Frames Up, in order to Deceive the Poor Fish, are Many and Subtle.

The salted mine is a method of the past. Boosted capital of Trusts, is looked upon with suspicion; but, not poor by any means, we still have a relative of this buccaneering financier with us.

Dragon is the most powerful and dangerous robber of the present time; disturbing, as he does, the normal prices of the food products of the world, even to far-away Zanzibar.

When I rap Dragon, I am also rapping the system he presides over, and also our Government, which is, in a great measure, culpable; and should be placed upon the rack of publicity.

The usual person whom Dragon induces to enter these gambling halls soon becomes hypnotized and sadly influenced to his personal ruin and dismantlement of his household gods.

His few short hours of gain, are filled with excitement and fidgety dreams, rather than happiness. His feelings are more like the ecstatic musings of maniac; and he should not be allowed to occupy any responsible position. A sanitarium would be the proper place for him.

Many soon become rabid and unfit for the usual business of life.

Like the man who enters the dram shop, he becomes an enemy to himself and a terror to his family.

It was said of Dragon, probably by a wag, that "he became such a master of efficiency, that he mourned himself into an early grave, because of his inability to utilize the one wasted product of the profitless pig—namely, the squeal."

The ramifications of the Chicago Board of Trade are so inti-

mately connected with other commercial interests, that it is difficult to get at the gambling section.

At some former age, it used to be the fashion to knock a man down with a club and take away his wife, daughters and money. It is so in some foreign countries now; to say nothing of Mexico. To-day, they endeavor to take your money away from you, by a smoother process; by hypnotizing you; so this which I am giving you, is one form of the smoother or hypnotizing process.

Some one said: "If you know of evil being carried on, it is your bounden duty to uncover it for the benefit of mankind. If I had no other incentive for writing a work upon this subject, this one admonition would be sufficient.

At the outset, I wish to disabuse your minds of any low socialistic tendencies in this book. Higher Socialism, I am sure that we are agreed upon. The greatest good to the greatest number. Trust Business, we might differ upon. Legitimate Business we easily agree upon. Illegitimate, garbed under business, or Speculative Gambling, we should agree, as being wrong, and working the largest amount of harm to the greatest number.

No one knows better where the Pit is, than he who falls into it; and no one is more capable of truthfully dilating upon the insidious environments, than he who remains there or studies the Pit for decades.

Bryan says: "Can we explain how a red cow can eat green grass and give white milk which produces yellow butter"? Neither can we explain how this fellow can slaughter so many million animals, make so many fine decoctions and canned combinations so useful to humans; and at the same time, impose wind wheat, corn and pork, upon us. But how our people bite at this spurious bait.

Here, in this Board of Trade, is a place where, contrary to the revered Lincoln, *most* of the people are fooled *most* of the time.

Here they are robbed, as were the South African slaves by the late Leopold, King of the Belgians.

Here, they exact a thousand times more tribute than did the Robber Barons of the Middle Ages; and like a blooming pack of dray horses, we not only allow them to burden us; we also license them to pirate upon us in the extreme.

Don't the people deserve to be pillaged? Those who know that it is a swindling game? But there are thousands of our young people who do not know. They are the ones we wish to reach.

As I mentioned in the Preface, the broker's roarings are like unto the bulls of Bashan; and their dancings suggest those of the Dervish.

If this was *all* they accomplished, we still would not cavil. But it isn't. These roarings and dancings, mean mental and bodily suffering for some, poverty and suicide for others, and home ruin. This is what we object to; and that is why I am here before you with this book.

As in the case of proverbial gossips, "At every word a reputation dies"; so with these dervishes, at each finger apparition that breaks the horizon of pit-less humanity; some poor sinner is ousted from a financial activity, and finds gall and bitterness where he expected sweet repose.

As there were two Standard Oils, so there are two departments to this Juggernaut. One, a trust business, not half bad, except when they sell embalmed beef to our soldiers; and one, Rabid Speculation, nothing worse in the world carried on under the title of "Business." I shall refer to the latter in the following pages.

Here is a specimen simile of their work:

When you buy, and then sell or close out your option, you carry out what is termed a "Round Turn." No commodity is passed, nor is there any intention of such act.

This is the same as if you ordered A. to buy you a horse and then to sell it, and you pay him \$5 or \$10 for doing this. You don't see the horse, and you don't want to see it. It may be a mule for all you know. You only hope to sell the horse for a little more than you paid for it. In case you ordered A. to sell a horse you didn't own, or never expected to own, you hope that A. will be able to buy this wind horse back again for a little less than he sold it for. Is this clear?

Watts defines "Speculation as a fine art, requiring a High Order of Talent." Price adds—"Speculation presupposes intellectual effort; Gambling, Blind Chance; but they often run into one another." It is often difficult to determine where one begins and where the other leaves off. That is what our Government is up against.

"Speculation, is a Venture-Based upon Calculation; Gambling, a Venture Without Calculation. The Law Makes This Distinction: It Sustains Speculation and Condemns Gambling.

We deduce from the above, that the Successful Manipulator is Praised; and the Unsuccessful Loser, not possessing inside information of the Manipulator, is Condemned. Therefore, in this so-called "Busi-

ness", where 98% lose, causing so much disintegration and sorrow, it would not be stretching a point, to call it Damnable.

Dr. J. Leonard Corning of New York City, argues relative to the state of suspense inherent in gamblers. He calls it "curve of suspense." "Psychologists point out that the fascination any games of hazard may have for you, varies in proportion to the depth of your curve of suspense". . . . "gamesters are prone to have Quixotic feelings of great gain and incident power, which, in turn, tend further to increase the height of the curve of suspense." "Over and above the predisposing role played by such a temperament in heightening the excitement of gaming, I am convinced that to it is largely charged those more extreme manifestations of the gaming impulse that so frequently result in the permanent undoing of the subject and the humiliation and misery of his dependents." "That the inveterate gamester carries his excitement away from the table (or board) has it with him, in fact, most of the time, is therefore, hardly the riddle that it is popularly held to be. Still the very admission that despite his losses, he returns again and again, carries with it the suggestion of an addiction, a compelling force, a deranged mechanism; so that, recalling the physiology of the emotions, one is inevitably moved by a desire to win, to a conception, however provisional, of a morbid physiology implied by the habit of the gamester." "The emotions in gaming are aroused or rather racked in an unique and extreme fashion." "It is easy to understand why those who are chronic victims of the gambling habit are so little fitted for the routine that enters so largely into the activities of common life."

This is what C. W. Smith says of "Futures": "They constitute a form of gambling at the expense of a third and helpless party, and thus *indirectly stab millions of innocent people behind their backs*. They are affecting the prosperity as well as the honour of Governments. They allow, by the abuse of capital, a form of tyranny by the strong over the weak. Is it any wonder, under these circumstances, that we have millions of inhabitants, poor, starving, and homeless? It is a disease which is galloping and spreading wholesale destruction. Signs of uprisings are showing themselves all over the world."

"Unionism, socialism, hooliganism, anarchism, communism, revolutionism, and other "isms," are apparent on every side and all ranged against capitalism—not to honest capital, but to the numerous underhand methods employed by dishonest capital, in all the great financial centers of the world."

"I have witnessed the gradual immoral national effects, upon America, France and Great Britain; and it is these *three Christian countries* which stand out most prominently in 1905 as, what I may term, the 'Gambling Nations.' To my mind it clearly demonstrates that the abolition of 'Options' would strengthen and promote a more lasting peace amongst nations than any steps monarchs can invent;

whether they be styled alliances, treaties, ententes cordiales, or by any other name."

He writes of "American and Canadian Wheat Corners", as disturbing the world's bread. "Such a state of affairs was solely due to the gambling operations by 'bulls and bears' as carried on, on the produce exchanges in the United States in foodstuffs. Operations, I may point out, which would never be tolerated even in Wall Street." Of the rise during the Leiter Corner of 1897-8: "The results on the world were starvation, bread riots, and massacres in some continental countries." Of the bursting of the corner: "On the collapse of Leiter, owing to powerful 'bear' syndicates in the United States, a commercial and financial panic took place, involving the ruin and failure of hundreds of commercial houses in various parts of the world." "The one of 1895, caused financial and commercial panics all over the world." "Both Capital and Labour suffer and antagonisms are accentuated between Capital and Labor by 'Bull and Bear' operations."

He says: "The Boer War in South Africa, was caused, largely by 'Bear Operations.' Dishonest Capital is the prime cause of millions of our starving people of the world. Even Madras and other outlying points. Manipulation causing 'unnatural prices', often paralyze and ruin legitimate trade."

He adds that "During the past twelve months, some twenty suicides have taken place in Paris, London and New York, etc., due to 'gambling' losses in finance and trade. The 'liquidation' of these various men's gambling operations caused a state of panic-like demoralization throughout the 'World's Exchanges.' "

We, a Christian Nation, allow these "Bull and Bear" Operations to go on untrammeled, while we very well know that poverty induces, aids and abets sin, disease and death.

Ex-President Roosevelt says: "The man of great means who achieves an immense fortune by crooked methods, does a wrong to the body politic, and becomes a source of great danger to the nation."

When the "Highly Moral (?) Road House" called "Sunny-side", was opened, who were the best supporters? The "Boys" of the Chicago Board of Trade. It was "simply useless trying to do business until this affair was well off their hands", so they said. You see, they are "Dead Game Sports", and what can you expect from such "Roistering Blades", and the deceitful business they are in, swindling our men and boys wherever possible. They don't deny it; they glory in their power and craftiness. These are the bright sparks who are fooling with our food products and "disturbing the world's bread", under Dragon's leadership.

"Race pool buying" in Jack Haverly's time, was considered "pre-

cisely as one might buy real estate or imaginary wheat or pork in their respective "rings" or "pits" on the Board of Trade.

In ancient times, say from 1200 to 1850, in Lubeck, Frankfort, Bremen, Hamburg and other cities, speculation was indulged, mostly by Jews. This form was called "Forestalling" farmer's crops; gambling in public funds and stocks, called "Time Bargains." Various laws were made and later repealed. There were no "Bears" in those days, and the users and consumers received it "in the neck." Now the producer also receives the "solar plexus"; so at the present time we are saddled with a double curse.

Of the London Stock and Liverpool Grain Exchanges, the Paris Bourse, Berlin Exchange, and the New York Stock, Cotton and Grain Exchanges, I refer in a measure.

There was the Mississippi Bubble of 200 years ago, 1717. Dealing in futures were introduced to meet the popular demand. The Company also included the Canada Beaver and Tobacco Farming and the privileges of Senegal and Africa. A piece of doggerel was passed around at that time, as follows:

"My shares which on Monday I bought
Were worth millions, I thought,
So on Wednesday I chose my abode;
In my carriage on Thursday I rode,
To the ballroom on Friday I went,
To the workhouse next day I was sent."

This was rather unusual speed, but shows us the spirit of the times. Law, the originator, was bundled out of France and later England and died in obscurity in Venice.

To "save our face", we better pass over, or gently touch upon the bonds and mortgages repudiated by some of the various states of this country, up to 1843. Rev. Henry Smith, asked the House of Representatives to restore money to foreign countries, sunk in "Larcenous Lake", "Swindling Swamp", "Crafty Canal", "Rogues' Railway" and other dishonest works.

Speculation in America would give us a wide subject. We might refer to the enlightening work of writers of note; as, one veil after another was torn from our eyes, by Lincoln Steffens, Alfred Henry Lewis, Roy Stannard Baker, C. P. Connolly, Burton J. Hendricks, Ida Tarbell, of Standard Oil fame; Frank J. Kannon, Donald Hamilton Haynes, Brand Whitlock, Arthur Brisbane, Charles Edward Russell, Arthur McEwing, James Creelman, F. C. Howe, Henry D. Lloyd, Merrill A. Teague, Thomas Lawson, the prolific lambaster (scoffed

at by many, yet a purveyor of the truth); Prof. Emery, the economic; Marcossen, and others.

The writers above named, with others, have taken up the past and present barbarous methods of handling man and beast, under the heads of such subjects as:

Graft in England; Barney Bernato; Free Picnicing; Owners of America; Secretan Coffee Corner; Atrocities of the Slaughter Houses, where a million of four-footed beasts are annually killed to satisfy our cannibalistic cravings; Great Express Monopoly; Juggling With the Tariff; Where Every Penny Counts; Barring Out the Stock Thieves in Kansas; The Passing of the Plunger; Crusade Against Loan Sharks; Better Business; The Fight for the Forests; The Oregon Land Frauds; Wealth Against Commonwealth; Abraham Reuf and San Francisco; California Bonanza Frenzy; William Burns' Activities; Billy Sunday's Beating the Devil, and with Success; Heney and His Fights; Market Wrecking; Bucket Shop Sharps; Market Gambling and Gambling in General.

One by one, the various evils and grafts of enormous magnitudes, have been swept aside; but not without energetic action upon the part of reformers, philosophers and philanthropists. Many that have been corrected, are given in this chapter, and yet there are many more uncovered and uncorrected. Each one eliminated will make for a better nation, more peaceful, more humane, charitable and truth loving.

We might say that Carnegie was the King of Steel; Morgan, King of Finance; Harriman and Hill, Kings of Railways. Harriman, a juggler of dollars and railways; at one time czar of the street, feared by nearly all. Rockefeller, King of Petroleum; Smith, King of Beet Sugar and Mormondom; Armour, King of Grain and Provisions. Russell Sage, called the Beach Comber of Finance; Richard Crocker, the "Boss of Tammany"; "Deacon" S. V. White, once master of Lackawanna; William Whitney, the Metropolitan Traction; Thomas Ryan, the Stock Waterer and Master Manipulator, whose word was law with five large banks, besides many Companies; a veritable "Genius for Concentration."

Gates, the Skyrocket of the Exchange, believed "All Life Was Gambling." Of his advent, Morgan said, he was "like a bull going into a china shop." Addison Cammack, the wrecker, was the great Wall Street bear operator.

Keene, the "Warwick of Stocks", said of speculation, "Without speculation—call it gambling if you will—initiative will cease, business decay, values decline, and the country go back twenty years in a twelvemonth." Keene advised people, however, to keep away from speculation. With all his resources, he won only four times out of seven deals. Jim had a kind heart for certain forms of suffering. The "scroll above" will show. Rogers, the Richelieu and "Piston Rod" of Standard Oil, of whom much could be said, (read "Frenzied Finance") and William Rockefeller, the "Fly Wheel."

We might dilate upon the "Barons of Finance", and add to the above, the Astors, masters of unearned increment; Vanderbilts, boat and road builders; Jay Cooke, active in war times; Drexel; Mackay, the Founder of the Bonanza Fortunes and Promoter of the Mackay-Bennett Cable; Havermeleys, Hawley, Flower, Biddle, Mills, (Philanthropist) Flagler, Promoter of the Railway to Florida Keys; Higginson, Wanamaker, Jordan, A. T. Stewart, F. M. Woolworth, Kidder, Guggenheim; Frick, the Master of Coke; Clark, the Montana Mining Emperor; Armours, Morris, Swifts, Cudahays, and Hammond, Meat Packers; Leiter, Patten and scores of others.

The Great Promoters, Eads (Mississippi Jetties) Whitney (Cotton Gin) Howe, (Sewing Machine) Bell, (Telephone) DeLesseps, Edison, Marconi, Field, Westinghouse, Aggasiz, Schwab, Spreckels. The Street Car Kings, Vreeland, Root Jr., Yerkes, Elkins, Widener; and Reid and Moore of varied interests from match to can, and so on.

We might recall the pillaging of the Railways by Daniel Drew, the nemesis of Erie, one of the first of Wall Street Plungers; Jay Gould, the Wizard of Wall Street, inventor of a rat trap and incidentally the railway smasher; Jim Fiske, called "Prince Erie", the Evil Genius of the Erie Railway, a road (as Marcossen says) which was the "seething battleground of sordid and destructive ambition." "They corrupted courts, pillaged the public, and made the loot of corporate properties a fine art." In the early times of the New York Stock Exchange, the listing of securities was often a farce. Addicks, the Tartar of politicians and corporations, last heard from, was in Ludlow Street Jail at the age of 74.

Jake Sharp, who came down the Canal to New York City on a load of logs; bribed the boodling Board of Aldermen, and said Aldermen skipped to Canada in one night. Jake died in Ludlow Street Jail. Several others died there. Boss Tweed, who started his boodling course in a Bowery stable, was caught off the coast of Spain and brought back on an U. S. Cruiser, died there. Addicks, whose word was as good as his bond, which was nit, died there.

Then there were the Cotton Price Disturbers; Dan Sully, Brown, Haynes, Hentz, Scales, Patten, Price and Inman and many more buccaneers. What a farce of fining Five Cotton Kings \$4,000 each, when millions had been taken from the people. I will delete the names of the offenders and also what was said by several of the losers. The California Mining, Railway and Banking Kings; Sharon, Crockers, Mackay, Flood, O'Brien, Jim Kenne,—the last of the great *plungers*—Baldwin, Ralstron, Stanford, Haggin, Hearst, Krutschnitt, Elliott, Fair, Hopkins and the Huntingtons. What an array of mortal talent. We have some 20,000 of these millionaires in this burgh of America.

We might review the "Louisiana" and "Missouri" Lotteries; "Tammany Gang," "Ship Trust", "Under the Prophet in Utah", "Beet Sugar Round-Up", "Beef", "Chicago Combine", "St. Louis Syndicate", "Oil and Tobacco Trusts", "The Game Got Them",

"Rebate Conspiracy", "The Viper on the Hearth", "Office Buyers", "The Romance of the Reaper", "The Beast and the Jungle", "It", "The Passing of the War Lord", "The System" and "The Remedy", "The Pujo Committee", "Brigham Copper Swindle", "Sealshipt Oyster System", "The Failure of Brown & Co., of the Shoe String Capital, with Buck Buchanan's Dollar-Piano", "The Collapse of Steve Dow" of Boston Exchange; "Bay State Gas", "Corruption of Massachusetts' Legislature", "Socialism, a Promise or Menace", the late "Election Frauds in Terre Haute", and final roading of the Mayor, Chief of Police and thirteen other citizens to Leavenworth Penitentiary"; "Soldiers of the Common Good." Violators of the Oleomargarine Law have defrauded the Government out of at least \$27,000,000 since 1902.

Man slavery was abolished among us, after thousands of lives were snuffed out. Horse Racing as a gambling institution, was also abolished after a struggle. The Liquor Question, especially the debasing Saloon, is gradually being given a quietus. The Trusts are subdued a little. The White Slaver is being hounded from our midst. The Black Hand, Counterfeiter, Moonshiner, Itinerant Gambler, Food Adulterer, Gold Brick Man, High Interest Oppressor, High Rate Loan Companies, Confidence Man, Church Raffler and Grab Bagger, Real Estate Liar, Horse Thief and Trader, are gradually being repressed, and we hope they will soon be relegated to oblivion, in our onward march of elevating progress.

Now while we have been pounding upon the above named, we allow some of the most polished robbers of modern times, we might say, some of the smoothest criminals and swindlers of speculative history, to go scott free, with now and then a little fine of \$100,000 or so, which is a mere bagatelle to the millions fleeced from the people.

Like the Heads of the Standard Oil, as a prominent writer says, they are "sure thing" operators. They never enter a deal on even terms. Their cards are always stacked, their dice cogged and their boxes fixed; and all the time they are trying to prove that their victims have a square deal.

This cursory review does not look very inviting, does it?

For the larger portion of this work, I will only deal with two branches of Speculative Gambling, those of Grain and Provisions. To sum these tersely, The Evil Effects of Gambling with the PRICES OF FOOD PRODUCTS. Please note my distinction, Gambling with the PRICES.

MORE GAMBLING HOUSES



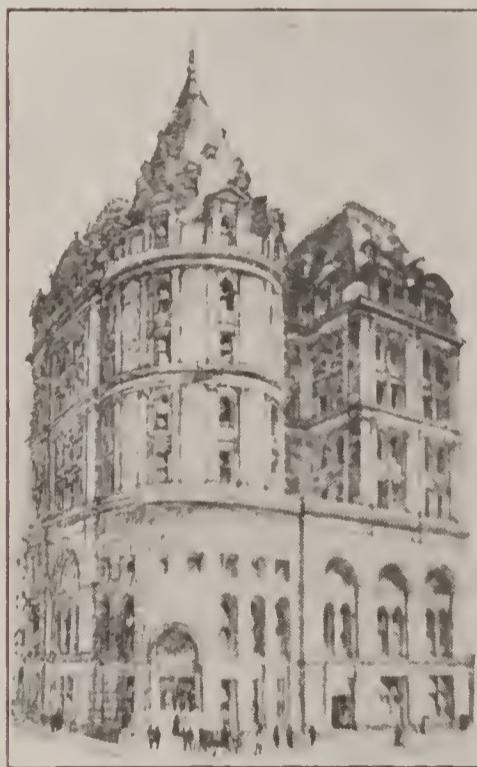
NEW YORK STOCK EXCHANGE
Nearly as Bad



N. Y. PRODUCE EXCHANGE
Same Old Game



N. Y. CONSOLIDATED EXCHANGE
A Thorn in the Flesh



N. Y. COTTON EXCHANGE
Quite Rabid at Times

"As the partridge sitteth on eggs, and hatcheth them not; so he that getteth riches, and not by right, shall leave them in the midst of his days, and at his end shall be a fool."—Jer. 17: 11.

CHAPTER TWO

ONE MAN POWER

Kaufman says: "Professional gamblers of all kinds, exist through people who take chances. Wall Street occasionally allows a lamb to fatten on its slopes. If a limited few weren't permitted to eat a little grass, there would be no bellwethers to run bleating off to the pastures where the muttonheads flock, and lead new victims to the slaughter. The only stock market luck is bad luck and that's simply an alias for bad judgment."

The eminent jurist, Thomas Burke, said these significant words to me: "You may be able to cure a drunkard, a glutton, a thief, and many other wayward persons; but to regenerate a confirmed gambler is almost a hopeless undertaking."

Young men, *mark well* this statement.

A careful reading of Lecky's "Map of Life" will strengthen one to deal with human wiles.

Judge Burke also says that "the element of chance enters so intimately into every department of life, that it is difficult to determine where speculation ends and where gambling begins."

Our daily and hourly appeal should be, that Divine Love place us where we properly belong; where we can do the most good, while aiding progress and uplift.

Although, at times, I may indulge in commonplace, sarcasm and ribaldry, I approach this subject with a serious desire to accomplish good for my fellow man.

I am watching a friend of mine, upon whom Dragon is playing the same tricks, played for years upon others. I do wish I might be able to shut up this shop before he loses all he has, or I am invited to his funeral.

This tenacious error, when once it rivets its tentacles upon one, is very difficult to work away from.

I sometimes wonder how many of our years it will take for Dragon Senior and Junior to slough off these scales of stupendous error,

in order to enter the Divine. I am not judging, I simply leave the thought with you.

They say that a man who speculates in a small way and loses, is a *gambler*. If he prospers materially, he is a speculator. If he succeeds in a large degree, he is a financier, and is looked up to as a wonder. He has made a great success of life, no matter who was humiliated, wrecked, and covered by debt debree. They also say that "Wind, or Paper Wheat makes no flour, and fills no stomachs." This is the kind of wheat we will discuss.

Some six or seven years ago, I prepared a paper entitled, "One Man Power," "The Autocratic Rule of the Board of Trade and What It Means to the Common People." It reads somewhat as follows: "The American Farmer produces a nearly Ten Billion Dollar Crop (now over ten billion); and this enormous product of our fertility is, in a great measure, controlled by one person at Chicago; through his servants, a Board of Trade and a few Satellites."

Dragon Senior was satisfied with America for his financial kingdom. Junior requires the whole World for his. Senior had forty in his office; Junior requires 1,500 in his. Some seven years ago, \$140,-000,000 were offered for his holdings. And think of it. Most of these millions were robbed from the people. This would be a small price for his holdings now. All of the grain elevators of a transcontinental railway are in the hands of a questionable power; besides 400 or 500 small city elevators.

If it were not for this, or any other one man power, the market price never would so frequently be depressed so low; nor would we see such high prices. The operations of this single being, involving transactions into the tens of millions, are world wide in their influence and tremendous in their power. If this power was worked for the benefit of mankind, what a blessing it would be. But it is not; and in the following statements, carefully prepared from observations of thirty years, backed by cases cited, I shall prove that this is true.

When a one man power can, by the use of various means at his command, depress prices ten (this means two billions) to thirty per cent. below normal, so that the producer can not secure a proper return for his labor, and thereby his family suffer; and from this point, this one man power can carry the market price from twenty to forty per cent. above normal, so that millions who buy, paying from one to four billions more than the product is really worth, suffer in their

endeavors to secure enough to live upon; is it possible at this time to call a halt and curtail this power that works harm to mankind? Now let us consider this matter impartially and impassionately.

In the first place this country does not believe in the one man power. The will of the people, our constitution, the very principles upon which our government was founded, is against one man rule, one man power. Therefore my argument is answered at the outset.

Human nature is weak, and one of the strongest weaknesses of our nature, is love of power, love of ruling, love of possession (which of course is power) to use how? In the higher order of our mental and moral nature—for the good of mankind; in our lower nature, for the ill of mankind. In the latter, by taking away the people's means of sustenance, bringing millions to grinding poverty, producing parasites, beggars and degenerates."

Up to the present time the energies of the people, abetted by the Chicago Board of Trade, have been exerted against the Bucket Shops, called "Hell's Kitchen", or "Dick Canfields of marginal speculation", and with success.

The Bucket Shop was made possible by the introduction of Marginal Trading, and while the keepers were honest in using the trading prices of the so-called "legitimate houses", the deals were more quickly and easily carried through without so much red tape, and required less margin. While the "regular" broker was anxious for you to gain, the bucket shop keeper was anxious to steal every dollar you possessed.

At the present time, I hold that the Boards of Trade are now run by one person, who is waiting and planning to grab every dollar put up for margins, that he can roll into his coffers, and I am not alone in holding this thought. While you really buy and sell nothing in a bucket shop, but simply bet, over 95% of the traders do the same thing on the Boards of Trade, where marginal trading is allowed. The traders never intend to present or take the commodity. Again, what is the difference, at the end of the game? You lose in either place, if you play for any length of time.

I will also say of Dragon, as Teague said of the bucket shop keeper, "He has no purpose other than to steal all the money you have or can beg, borrow or steal" (remember Harper and the Fidelity Bank) "and when he has done this, to steal the home that houses your family, to steal the dress your wife will wear next year, and to steal the food your baby will require as it grows." "Yet, because he simu-

lates respectability, he is permitted to perpetrate his swindles with impunity." (See Everybody's of June, 1916.) The broker you deal with may be a disinterested party, but Dragon who gets your money, is most deeply interested. Of that you may be sure. I class this fellow with "Al" Adams of New York, whom a Judge dubbed "the meanest man in New York." This swindler has use of the mails, telegraph and telephone to carry on his debasing work. Teague said that bucket shops stole \$100,000,000 yearly. What must the Chicago and other Boards of Trade take from the people?

John Hill Jr., backed by the Chicago Board of Trade, relentlessly pursued several bucket shop keepers; and Wm. V. King, of the New York Cotton Exchange, aided to some extent. Why? Simply because these bucket shops were taking "business" away from them, the so-called "legitimate." Don't think for a moment, that any humanitarian instinct would stimulate such action. Let our Government pursue these "legitimates" just as relentlessly, until they quit marginal trading. Bar the mails, telegraph and telephone until they do quit.

Take the case of Barrett Brothers. Their case is a specimen as to how *reliable* some of the great ones are, who bucket their deals:

"MISSING BROKERS LEAVE \$200,000 IN CLAIMS

"CHICAGO, Saturday, Oct. 14.—Barrett Brothers, brokers with officers in New York, Chicago and Denver, whose affairs are under investigation by federal officials and for whom search is being made, left unsecured claims estimated at \$200,000, according to officers engaged in an inquiry into the affairs of the brothers—Wallace and John F. Barrett, respectively manager of the Denver and Chicago offices. To meet the claims, federal officials said, there is about \$5,000 deposited in local banking houses."

The Bucket Shops are rooted out of many States. They have kindred establishments in several Eastern States. In Oregon, they get around the law by sending their orders to Colorado. Practically their day is over.

A Bucket Shop can not stand a rising market. The people who patronize these affairs rarely play anything but the long side of the market. Their chances of profit might be considered about as follows: If prices go down, they lose. If prices go up, the house "Busts."

Patton Thomas says of Bucket Shops: "A Pure (say Impure) Gambling Game, Because Its Only Profits Are The Losses Of Its Clients. Masquerading as a legitimate business, it induces men, women

and youths to gamble, in order to win their earnings." I hold that that is what this Juggernaut is to-day; being run by one person.

It is evident that conditions from now on will see forces centered not only upon the bucket shop, but also the higher-up, the board of trade, which gambles in prices of commodities, thwarting the interest and will of the people who lose at both extremes of the forced rise and fall of prices. We remember what the Anti-Gambling League of Chicago tried to do with Patten. Patten was great as a surface man, but certainly not the power to *create the great sweeps of values*.

I hold that the high cost of commodities held some six or seven years ago, were largely caused by manipulations upon the Board of Trade by one man and that other man, Patten. I further hold that a certain Board of Trade, as now run by one man power, is little more than a mammoth bucket shop. Why not? He makes the prices for the world. The largest share of the profits or swag or rake-offs, going into the pockets of one man.

Emery says, "One man power in a market is extremely dangerous; for to whatever use it is put, it makes all conditions uncertain, and the trade nervous and uncertain."

A mere operator has less chance of success, upon this Board of Trade, than a sordid bettor upon a race horse. The manipulation may not be quite as raw (for certainly we have as smooth a set of manipulators at Chicago as can be found anywhere) BUT THE END IS THE SAME, and at the close of the deal, THEY WILL HAVE YOUR MONEY, AND ONE MANIPULATOR WILL HAVE THE MOST OF IT.

As Bear writes (which I have held for years): "It is not even straightforward gambling. It is one in which trickery of the most unscrupulous kind is exalted into a science. Futures are not so fair a game as cards."

An American produce broker of long study adds: "Some of their methods are as infamous and thievish as those of the lowest black-leg gamblers—no better than those gamblers who use marked cards on the greenhorn, and carry plenty of aces up their sleeves." (See Contemporary Review of 1894, pages 786-7.)

Now here is a combination that at present can not be beaten. It is similar to a cancer which is well imbedded; and the only way to kill it, is to cut it out, or annihilate the corpus. Supposing this man should be allowed to go on indefinitely, what would be the result?

Would we not become as desperate as the old Roman slaves? If this is bad or a wrong to our people, and I hold that it is, what is the remedy?

"It is as a clearing house of opinion, that the Chicago Board of Trade becomes a national institution. The \$400,000,000 of grain and provisions annually handled, are merely incidental." Again note the power granted to wind markets.

OLD-TIME SPECULATIVE GAMBLING



NEW ORLEANS COTTON EXCHANGE AT NIGHT DOWN AT GALLAGHER'S IN 1846
Disreputable and Disintegrating

How You Have Ginned the Cotton Planter



N. Y. STOCK EXCHANGE IN 1857
Respectable But Dangerous

SHORTS COVERING WIND STOCK IN 1881
The Devil Take the Hindmost

"And the beast which I saw was like unto a leopard, and his feet were as the feet of a beast, and his mouth as the mouth of a lion; and the Dragon gave him his power, and his seat, and great authority."—Rev. 15: 2.

CHAPTER THREE

THE JUGGERNAUT

The Persons, Power, Senior and Junior Manipulator, Dragon, or whatever I may call him or them, whom I will discuss, have been and are looked up to as financiers; but who are gamblers and robbers of the rankest type, having every high card marked; and who deserve no emulation from us, in this special branch; and before I am through with you I feel sure that you will give a decided vote that speculating in the prices of our food products, should be relegated to the ash heap of burning wrongs, as should the saloon and white slave traffics.

If, in the following pages, I shall be able to impress upon you how *fatal* to your well being, it is to enter speculative gambling; and if my book will prevent your conscience from becoming seared; and your families in a measure protected from suffering, hardship and misery; I shall feel amply repaid, in a spiritual way, for my labors.

For the larger portion of my work, I shall call this one man power, Dragon, because he clutches and strangles home builders. He raises the price of their bread; he takes away their means of support. He is a robber and a ravager. The institution over which he presides, I name Juggernaut, because it crushes our people morally, mentally and financially, to powder.

Bryan says, that "Some men are too busy to collect, because they are too busy earning. Others are too busy to earn because they are too busy collecting." This Dragon is very busy collecting.

I was informed, a short time ago, by a former broker, that the Standard Oil was back of many of the deals made at Chicago. That the Standard Oil employed Leiter to act for them, until they found that he was speculating; then they took the power away and went against him, and he was ruined. This is not my version, however.

The Gambling Section of the Boards of Trade have taken hundreds of millions out of the pockets of the people; and while returning to some few a fortune, to others, barely a pittance, in return for their money; and thousands have been robbed right and left, and pushed off the board. Dr. David Starr Jordan says: "Every great wrong has money behind it."

Newton Dent writes: "Every city [of note] has a grain exchange; but where is there a "wheat pit" as terrible in its power to unsettle the world's bread as that which stands at the head of La Salle Street"?

I have no personal retaliative feeling against the men at work upon the Board of Trade, except to warn and protect others from moral, mental and financial disaster.

They are not wholly to blame for the System; they have grown up in it. It has become a part of their life. It is a jovial crowd, and the members brilliant and interesting; but so heartless for the wrongs committed through their efforts.

I desire to prove that they are in the wrong business; that of aiding and abetting in the emptying of the pockets of those who *cannot keep away* from this power's influence. I hold that the curtailment of this business is especially vital to the economics of home life.

A dollar a bushel for wheat and three dollars per barrel for flour, is the dream of the economic alchemist. The very opposite is what this master manipulator is carrying out. *He* is trying to extract the wheat from the growers at the lowest possible price; then to sell it to the bread makers, at the highest possible price. The Anti-Option Bills have been entered to try and stop this business. The Butterworth, Hatch and Washburn bills were before Congress, especially against short selling; but how impotent. These bills were opposed by bankers, merchants and manufacturers. But note this—the bills received strong popular support.

I am not alone in saying that this section of the Board of Trade, as influenced by one-man power, is an enormous Bucket Shop. Why not a Bucket Shop? The boodle, for the larger part, goes into the hands of one man. However, unlike the proverbial bucket shop keeper, he does not fail every year or two, and skip the country.

The United States Court of Appeals, several times stated that "Stock Gambling is not more pernicious when done on the floor of a

bucket shop, than when done on the floor of the Chicago Board of Trade." (See Dodlinger, "The Book of Wheat", page 249.)

I have it upon good authority that 95 or more per cent. of the business on the Chicago Board of Trade is rank speculation, or gambling in the food prices; neither side expecting to furnish nor receive a bushel of wheat, corn or oats, nor a barrel of pork or a tierce of lard.

Here is a devastator of our homes, that quickly follows in destructiveness, the White Slave, Saloon and Dope traffics; and is far more insidious, for it is considered "Respectable Business." It strikes the homes of the well-to-do, and in a day, they are brought to poverty. Yes, in an hour, half an hour; yes, in thirty seconds. Lawson says that 90% of the transactions upon the New York Stock Exchange are gambling. Untermeyer gives a higher figure. He certainly ought to know.

In the Amalgamated Copper Robberies of some years ago, engineered by the two Rockefellers, Rogers, Stillman, with Lawson for the Goat, \$100,000,000 were lost; thirty committed suicide, and twenty respectable citizens were made convicts.

Would we not hate to have to answer for such financial atrocities? Think how far that is from the Golden Rule. Did they "Love their brothers as themselves"?

HISTORY

Now for a little history: The mental machinery for speculation in produce, was developed from the practice of English and Dutch Importers, by the issue of warrants, which passed from hand to hand as negotiable paper. The last buyer could present the warrant for the commodity. You see how that which was *created* to meet necessity has been *prostituted* to base gambling.

Take the history of the Chicago Board of Trade. It had its beginning in 1848, and the members used to meet in one of the canal boats.

Daily sessions were held in 1856.

According to Mr. Delany, "The Chicago Board of Trade was organized in 1848 with 79 members. Reorganized in 1850, again in 1859, when it was incorporated. Quarters were rented until the First Exchange Building was erected in 1865 at LaSalle and Washington Streets. This was destroyed in 1871 in the Great Fire. Rebuilt in 1885." Not satisfied with the present building the Corporation is

now planning for a greater structure. The Membership is now about 1,600."

One late issue of a New York financial paper of authority gives the price of Chicago Board of Trade Membership at \$7,550. If this is correct, it is far worse than I have quoted; for with this *small capital*, a member is empowered to *deal in millions*. This is food for serious thought.

This same issue gives Cotton Board Membership at \$17,000 and New York Stock Exchange Memberships at \$65,000 to \$75,000. Late highest, \$78,000. Who "pays the piper" and the "dancing dervish"?

Benj. P. Hutchinson, one of my "Yankee Cousins", came into the game in 1857 and 1858, and worked many squeezes. He introduced "Scalping" and "Milked the Market" upon as many occasions as he could. He had one successful corner in the sixties and another in 1888.

Lyon tried to run many corners. The last one in 1872, and the first one of importance, when he ran wheat from 90c to \$2, in August. However, this one broke him. Bogus warrants and enormous wheat receipts, caused general selling and Lyon was ruined. Of Lyon's associates, Chisholm committed suicide; Diamond disappeared; Uren and Scott ended their days in obscure boarding houses.

Philip D. Armour was brought to Chicago from Milwaukee by a Corn Deal. He lost a large sum of money. Corn sold at 30c, 25c, and even to 19c a bushel. Armour lost several sums before he assumed great power. One person made him hustle to secure wheat to cover his December shorts, in 1897.

In the early stages there was no definite system of working deals; but after a certain brain, whom I will call Manipulator or Dragon Senior, entered the arena, there was a decided system; and has, to a greater or less degree, been successfully followed for over forty years. I have watched the maneuvers for thirty years. The same tricks, with a few changes, seem to befuddle the brains of our traders, and they were, and are, being led like sheep to the slaughter.

The study of the devious ways that an option is carried out to perfection, is very interesting to one who understands the game; and incidentally to the sure destruction of the plumpness of the pocket-books of those who take a hand. I have many times begun upon the

study of some option, ten or eleven months before its consummation. All sorts of tricks were carried on, to rustle the tailers, or holders, off their perch, and their margins into the capacious maw of this financial Dragon.

They witness these anomalous changes, and wonder why the markets, from day to day and year to year, should twist in such contrary fashion, opposite to the natural sequence of a natural cause. It is no secret to me. These changes are arranged from day to day, week to week, month to month, year to year or a series of years, in an office in the heart of Chicago; and carried out by Dragon's henchmen upon the Board from day to day, and the poor dear public are helping him all the time, by falling for these deceiving manipulations.

As many have wondered how the various cities of the United States could be connected with New York and Chicago; a broker of many years' experience has kindly handed in the following, showing how price quotations are carried to the outside world; and from that standpoint, is very instructive and interesting.

For the benefit of those who are not familiar with the working and handling of the quotations and orders to these exchanges, we submit this article.

A BROKER'S EXPLANATION

"Generally speaking of the Stock Exchange, one refers to the great exchange of Wall Street, New York; and of the Board of Trade, as the grain exchange of Chicago; although there are several exchanges throughout the country in the principal cities, they are relatively minnows in comparison to those great exchanges."

"First, we might mention the difference between the 'Bucket Shops' and the 'Commission House.' The former dealt from the quotations made by purchasers and sales worked on the Exchanges (not always correct quotations, however), with no intention of making a bona fide purchase or sale, but with merely the idea that the customer (if such a term is proper) is betting from the figures on a blackboard of the rise and fall of the market.

"Now the Commission Broker is generally a member of some exchange and sends his order to the broker by wire for execution on the respective exchange, if being in grain, to Chicago; and if in stocks, to New York. In both cases—either bucket shop or commission house—private wires are rented from the different telegraph companies for connection with outside brokerage houses.

"These have been great revenue sources for these companies for years, as the mileage charge is generally exorbitant. Each outside commission broker must have his connection or broker, in New York or

Chicago, execute their orders, as well as to send them the 'gossip' of the street, or what is expected to be done with this or that stock or grain option. These wire connections have been the source of bringing more money to New York and Chicago, than any other known means. They connect not only cities in close proximity with the exchanges, but stretch out over the whole United States, from Maine to California. The service is always fast, and as the wires are leased for no other purpose but the brokerage business, it can easily be seen how rapidly this class of matter could be handled. A wire running from San Francisco to New York, means not only one relay connection being made, that at Chicago and on to New York. It is possible to handle a message or order to a broker on the exchange in two or three minutes. It has been stated that Chicago is closer to Wall Street Exchange than "up-town", meaning that it takes less time to hand business from Chicago to the floor of the exchange, than it would to telephone from an up-town office right in the City of New York.

The quotations of the New York Stock Exchange are sent out over what is termed the "ticker wire", which connects nearly all the large cities. No other business is handled on these wires and they are meant simply to handle the quotations as they are made on the floor of the exchange. One of these wires works North from New York City by way of Albany, Buffalo on to Chicago; while another works by the way of Washington, Pittsburgh and Cincinnati to Chicago. Both routes are connected as one and form a grand loop over the country, and is so arranged that if one circuit should become faulty, the other would carry the quotations without delay.

Hardly ever would both routes be interrupted at one time, although such a condition has occurred. At Chicago, other Western cities are connected up to the same wires, by means of automatic repeaters, which means the supplying to the whole country over a great web of wire connections, a complete list of transactions of the exchange simultaneously. The revenues derived from this source, is from the rentals of tickers at various points to stock exchange houses, saloons, hotels, etc.; and is entirely separate from the leased wires which are made to individual brokers throughout the country.

It has been stated on good authority, that neither Wall Street, meaning, of course, the Stock Exchange, nor the Chicago Board of Trade, could exist without the aid of the outside public; and this is only made possible by the connection by wire to those exchanges.

The outside public is always a large factor when the markets are active; as there are very few cities throughout the country that are not "blessed" with a brokerage house or several of them."

While bucket shops are places where they are carrying on the same kind of gambling, the Chicago Board of Trade says, and tries to prove and convince the people, that this business when carried on

in these bucket shops, is immoral; but the moment you enter their magnificent hall, it becomes moral.

But reader, in either place, you lose your money; whether, according to the Chicago Board of Trade it is morally or immorally accomplished. I am not defending the Bucket Shops. I am showing that they use same gambling machinery.

The Bucket Shops, where they are faithful in copying, use the same dope, scattered broadcast by Dragon, through wire and press; and this has the same effect upon the immoral lambs, as upon the moral lambs and goats.

And the members of the Chicago Board of Trade are trying to crush out the immoral Bucket Shops. Why? Because the Bucket Shops are taking business away from them.

Why don't they crush out the Open Board of Trade, right under the eaves of their gambling hall? Because that is *bringing them trade*. That is different.

In other words, if you bring them business, you are *moral*. If you take business away, you are *immoral*.

The Price Current-Grain Reporter, an estimable paper, published in Chicago, in its issue of September 29, 1915, relative to the Chicago Board of Trade, reads as follows: "What is it? Why has it an existence? What are its functions? How can it justify itself?"

My Dear Mr. Editor: In its marginal-option gambling it can not justify itself; as millions of robbed homes can testify. Then, my dear sir, you go on and endeavor to show how ignorant the people are in regard "to this great market place." Now when you say that "the Chicago Board of Trade is nothing but an open market for the purchase and sale of grain and provisions", you deliberately falsify and you know it. Perhaps you personally do not know that from 98 to 99% of the so-called "business" carried on there, is "trading in wind", and that only from one to two per cent. is dealing in the real commodity. Perhaps you do not know that eighty-five per cent of the margins carted to this enormous American Monte Carlo and Bucket Shop, is lost by these "ignorant ones" you write of; and that 98% of these duped traders lose their money, and have been losing ever since "Old Hutch" started the scalping racket some sixty or seventy years ago. I agree with you that the "dear public" need, very

muchly, to be informed, and that is the purpose of this book. Stick to your work of reporting legitimate business, but don't, I beg you, try to bolster up the moth and canker department of the Chicago Board of Trade.

The writer refers to "Misguided Writers." In the words of the Bowery Guy, "Misguided nothing." He endeavors to befog the issue. Our discussion is not upon the one to two per cent. legitimate business of the Board of Trade, but upon the gambling in the prices of our food products, which said Board has been allowed to carry on for lo, these many years. Ever since B. P. H. entered the arena. That is the issue and the only issue we are bringing up.

WHERE THEY DO NOT REQUIRE MARGINAL GAMBLING TO CARRY ON A SUCCESSFUL BUSINESS



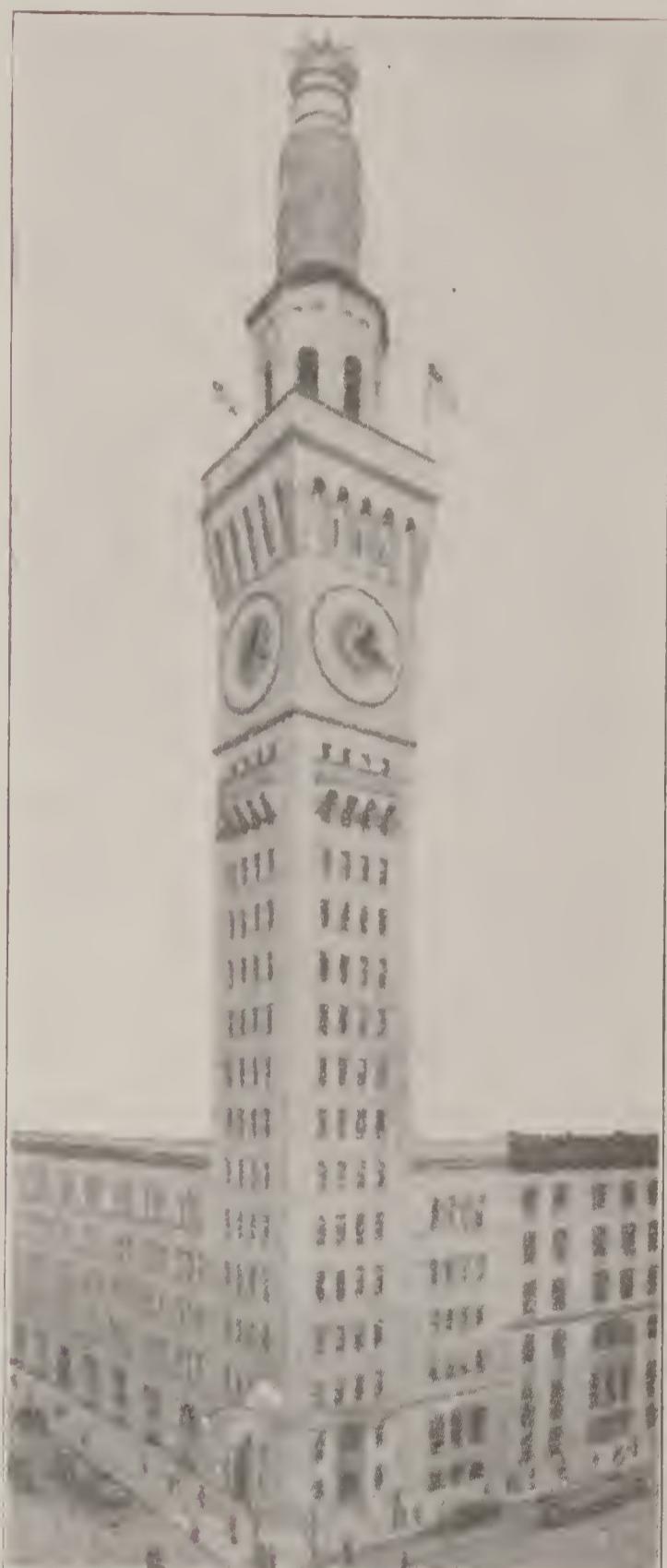
CINCINNATI CHAMBER OF
COMMERCE

"Go Thou and Do Likewise"



BUFFALO BOARD OF TRADE

Encourage Righteous Work



BALTIMORE BOARD OF TRADE

An Honor to Any City

"Ye are of your father the devil, and the lusts of your father ye will do. . . . When he speaketh a lie, he speaketh of his own: for he is a liar and the father of it."—John 8: 44.

CHAPTER FOUR

CORNERS AND MANY OTHER DEVILISH THINGS

While the revered Joseph's Egyptian Corner was "constructive and helpful, the modern corner has often proved destructive, uneconomic, and often very tragic." Most corners are simply "Hold Ups, legitimized by speculation", the sole object being to embarrass or ruin the men who sold the grain short, or who bought "long wind."

This Corner Gambling generally benefits no one but the successful manipulator, and successful hanger-on. The Grower, Miller and Consumer, are usually stung.

There have been many Cotton Failures due to speculative gambling.

The so-called "Patten Wheat Deal", I foretold ten months before consummation. Because Patten meddled, the price was carried up too soon to suit the Dragon. Not until I found that Patten was in the deal, did I find a valid excuse for the early rise. Dragon, in order to secure what he felt should be coming to him, carried the price to \$1.35, which was an abnormal price for that time. The corners of the last two years were partially brought on by the war. The manipulator had his lines fixed for low prices May, 1915, but upon the startling and unexpected announcement of war, he quickly bought in his short wheat, and I presume at some loss, and went long of the market millions of bushels. He probably will clean up from fifteen to twenty millions. Four times out of five, I have been right in my prophesies. I believed he had been selling July, September and December options. (Later developments proved the correctness of my beliefs.)

What is he doing now? Buying December and selling future May and July wheat options, "to beat the band." Don't try to "beat Dragon to it", boys; for he will quickly knock you out of the race. His cards are fearfully marked and he has a multitude of aces up his sleeves. However, fellows, if Dragon had been on the other side of September and

December options, you would not see such a great rise, until after those options were closed. After the short victims of December option have settled (privately with Dragon or otherwise) you will see a May or July option smash. "Stand from under", or be crushed. There is no just reason for wheat being \$1.94 and higher. Gross and base manipulation. He may make a record of over \$2.00.

The cruel brain of Dragon Senior did not get Hutchinson in 1867, because it was not working at that time upon the Board.

Dragon Senior began in 1872, and broke Lyon. Small corners in 1880, 1881 and 1882 may, or may not, have been the work of destruction of this fellow. India began to be a bearish factor.

Although Harper, of Cincinnati, put through a wheat deal in 1881, in 1887, this fellow broke him.

Jack Sturgis cornered wheat in the seventies. Sturgis' partner quietly sold privately, while buying for the Company. When this became known, a bear raid was started, and Sturgis, who was worth at the start some five millions, died in poverty. No honor among thieves there. In 1879-80 (one gives this 1876) the Jim Keene Corner collapsed. Keene lost three million. "Old Hutch" helped in the general raid.

I quote again from the Price Current, Grain Reporter of Sept. 29, 1915, page 22, in a review of "Corners." The section is headed with "A Little Pork Squeeze." I give it exact, word for word, so my readers may note how they glory in this sort of so-called "business" of trying to ruin one another:

A LITTLE PORK SQUEEZE

"Philip D. Armour engineered a pork corner in 1877, largely because he was forced into it. It seems to be a matter of authentic history that Mr. Armour conducted his pork corner in self-defense. There were a combination of bears who had sold to him, who wished to relieve him of some of his wealth; and as he had an immense stock of pork on hand they persistently kept the market down. However, Mr. Armour offered pork for shipment out of Chicago at a much lower price than he would sell it in the pits; and the rules then provided that there should not be more than seven or eight pieces to a barrel. [Trumped up by a Board Committee.] Mr. Armour was keen enough to open the barrels of pork which he had on hand and cut the pieces in two, thereby making them undeliverable on contract. The result was that the purchasers had to sell them for consumption and could not redeliver them to him. Mr. Armour made money out of the corner, and the bears who tried to force him into trouble paid the cost."

The E. L. Harper Corner of 1887, was smashed after wheat was advanced from 78 to 90 cents. June 14, wheat tumbled to 68 cents, and the Cincinnati Fidelity Bank was gutted. This was as raw a hold-up and robbery as ever occurred in speculative history in gambling in Food Products. It should also be stated that some twenty Chicago firms went to the wall, and several very nearly.

Marcosser said of this catastrophe: "Ruin and suicide haunted the unhappy depositors, and sorrow and despair were cast into many homes as a result of a wild attempt to corner this market." Harper languished in prison for several years, until pardoned by the President. He died soon afterward. Think of the old couples that had their slowly earned savings, laid up in this bank, to keep them in comfort for the remainder of their days, swept away by deceit of Dragon Senior. So long as Dragon Junior is allowed to deceive the public, our own savings banks are in danger from this same element of destruction.

President Cleveland saw the difference between Hutchinson and Harper, in corner running, when they tried to have Harper pardoned. "Hutchinson used his own money and Harper used that of others." Speaking of Hutchinson, it is said that he had a marvelous memory. He could "trade all day in every market in the country and, without making notes, could name over the trades at the close of the day. The old buccaneer would not hesitate to jump the market 25 cents, from the close of one day to the opening of another.

Another bank was nearly wrecked in California, by the manager of the Nevada Bank becoming crazed by speculation. Mackay came to the rescue and made good several millions. After he had paid the money out, Mackay said, "Let me hear no more of this."

Even Russia tried to persuade the United States to enter into an agreement to corner wheat at the expense of the world. To the credit of "Uncle Sam", a courteous reply was returned that, "As a nation, 'Corner Gambling' was not the business of the Government."

In 1888, Hutchinson squeezed a crowd in a "Corner" to the tune of a couple of million or more. After \$2.00 wheat had been reached and the deal closed up, the brokers sang:

"I see 'Old Hutch' start for the Club—
Good-by, my money, good-by!
He has given us all a pretty tough rub—
Good-by, my money, good-by"!

I gave Dragon Senior two years to crush Hutchinson. Senior took his scalp in one year and a half; and from being a millionaire, he was found running a junk or meat shop in New York City. His family brought him back to Chicago and set him up in a cigar store. He died almost in darkness and oblivion. Thus ended the earthly existence of a mortal who started "scalping" and "short selling", yes, and "long buying", in 1856.

After the ruin of Hutchinson, in 1891, Pardridge, who had risen in power, arose in his might; and after making several millions, paid tribute of a million or so to Dragon Senior. Senior would sometimes allow little fish grow to a goodly size, then nab them.

In August of 1891, Pardridge was short in the market and ran out of cash margin, although he had plenty of other security, and was bought in by his brokers. He lost \$500,000. Dragon banked most of this, together with what Ream and others lost, say two or three million. However, much of Lyon's loss was taken from profits. Before this he made about \$750,000 a year. He and his wife had assets of over four millions. Pardridge settled in full to the melody of a million, more or less. At the end of the deal he was a nervous wreck, and retired from fighting one stronger than he. Now Senior began to get his fangs well in. In 1893, he caused a lard corner to come to grief.

In 1897-8, Joseph Leiter worked a corner which Dragon finally punctured, by the use of steel pointed tugs, breaking the ice and rushing wheat to Chicago and selling against the future May option. Leiter had Dragon in his clutches; and if Leiter had limited his deals to July, September and December options, he would have beaten the giant, and cleaned up several millions of dollars. Leiter and his associate French were successful in July of 1898; and having tasted a little blood, tried the game for September, and again won out. Again they plunged into December. Here Senior Dragon was pitted against them, and about ten to twelve millions of cash wheat was dumped upon them. Leiter still continued to buy the next May option. Here is where he made his mistake, and our master manipulator had Leiter in ruins to the deficit of somewhere to \$8,000,000, which his father paid to save family honor. I presume that these millions with several hundred more, are reposing safely in Europe, to the credit of Dragon Junior. However, in this Leiter Deal, the *country* profited to the extent of about \$100,000,000; at that time a very unusual

performance upon the part of our country cousins, the farmers, for they sell when they ought not, and hold fast when they should release. They have had a good time during this war. Still I would advise them to sell all they have, for there will be a slaughter before the end of next May and July, unless Dragon changes his mind.

In 1892 the Coster-Martin Corn Corner was smashed from \$1 to 49c, in a few minutes. The Bank of Montreal refusing to cash a cheque, started the rush. We can imagine who influenced the bank. Coster later committed suicide in New York City.

The career of Phillips, in the later 90s, was spectacular. From a poor country boy and shucker of corn, by diligent study and careful preparation he and Daniel Hill, a farmer customer of Phillips', made nearly \$200,000 on a corn deal. The next corn deal ruined him. Credit the Dragon. The greatest corn corner was in 1902. Several millions were lost by Gates and Cudahy Brothers, and Dragon Senior again grabs the boodle. All this is a matter of history.

Corners have been broken by Minneapolis Millers. They sold their elevator wheat at high prices, then bought it back at low figures before it left their elevators. The elevator men, big dealers and professional traders in Chicago, are generally bears.

The Peter McGoc lard corner of 1883 was broken by a low-down trick. Some speculators loaded the lard with cotton seed oil and dumped the product upon poor Pete as genuine. But that was not the worst trick. The largest lard deal was the Cudahy-Fairbanks of 1892. They made a 10c profit per pound. In the second deal Dragon Senior swept them from the Board. Cudahy lost \$6,000,000 to him. Brokers to the right and left failed.

Cudahy was trimmed several times by the Dragon Senior, in both wheat and lard; Dragon even going from bank to bank, borrowing their surplus money and leaving a bad word or two about Cudahy, so that he could not secure margin credit. This was one of the favorite tricks of Dragon Senior.

One writer says that corners are a thing of the past. He is sadly mistaken. Since the European war began, we have had many corners and squeezes, but they were worked so smoothly the poor dear public did not realize it.

After the abnormal pressure of the May option of wheat to \$1.58 $\frac{1}{2}$ I noted a little skirmish among members of the Federal Trade Commission and that "there would be no Federal investigation." Then

"there would be", and "there wouldn't be", etc. This is about as wobbly as some political administrations. And at that time we had been cursed by four or five corners and squeezes since the European war began. How impotent is this "Glorious Government."

London blames "Yankees" for the high price of bread, and rightly. And with all of this rise, our Walla Walla farmers are holding for more. My advice is, Don't hold it any further than December, if as far.

I will speak of some of the large fish who have been feeding upon the smaller ones in other Juggernauts, and have at last landed in the jaws of the Dragon.

I need only mention the Cotton Corner failures of Biddle, Sequel, bank ruined. Ranger, in 1879. Watts, in the early 80s. A German crowd later. Range, of Galveston. Inman, a sort of Armour in cotton. Labousse. Price, the Napoleon of Cotton, in 1900, with liabilities \$13,000,000, with fading assets. To the credit and honor of Price, it must be added that in a few years he cleared up the balance of debt, of one million. Dan Sully and Patten, were active.

Again Lawson hits the mark, in reference to corners and panics, especially the "Amalgamated." "Look for the records of that dreadful day in the history of thousands of blasted corners and ruined lives. On the headstone of suicides' graves, on the tablets of felons' cells, it is typed in letters of blood and iron. But its deepest, saddest chronicle, is in the hearts of the mothers and wives, whose sons and husbands perished in that cruel clash of embattled millions."

We note that even heavy operators have received it in the "Solar Plexis." There was Heinze, who might have sold his holdings for \$12,000,000, passed on worth less than one and one-half millions. Heinze knew copper, but not the Wall Street brand.

Cudahy with all of his talents, environment and backing, and should have passed out with \$25,000,000, to his financial credit; lost at one time \$6,000,000, besides many others to the Dragon; left only about three. The article sayeth not which Cudahy. Many merchants could not stick to their lasts. And there are others.

Lawson, in summing up "The Amalgamated", says: "Of my personal knowledge, Americans and Europeans were plundered of over \$100,000,000, and there were thirty suicides directly caused by this and a large number, over twenty, of respectable citizens, were made convicts. By the modern dollar making, they were converted into beasts of prey. Who engineerd this? Henry H. Rogers, Wm. Rockefeller, John D. Rockefeller, The National City Bank, James

Stillman the head; Jos. O. Addicks, F. Augustus Heinze, Jas. R. Keene. These have to answer for the evil they have worked."

One could apply to Dragon Senior, the words of Lawson: "I have no hesitation in stating that experience has shown me that, provided there is a profit ahead, frenzied financiers, from the highest to the lowest, will commit any crime in the Decalogue, and that without the slightest twinge or buck of conscience."

The "Industrial Commission stated that J. D. Rockefeller and J. D., Jr., were responsible for the murders committed lately in the Colorado Coal Fields." I merely mention this without comment.

One Speculator answered, when asked in regard to his corner, "How far do you want to go in this matter"? "To any extent that will keep me out of the penitentiary."

Many operators use wash sales, and are less honest than "Bookmakers at horse races. They are like rascals who bet against horses, then bribe men to drug them, or 'Jockeys' to 'pull' them."

Russell Sage is said to have lost in "Puts and Calls" in one day, in 1888, about Seven Million Dollars. It is further stated that he "curtailed that branch of his business."

There are times when for weeks the grain market would be kept within a range of two to five cents, and you might think that manipulators were dead, sleeping at their posts, or gone fishing. The fires were simply smothered for a time; only to break into fury later, like some disturbed volcano. It takes time to create a new option.

This master manipulator, Dragon, by means of correspondents scattered throughout the world, with hundreds of clerks, keeps tab upon crop prospects, true visible supply, how much the farmers are holding, etc., better than any one else in the world; also has a good record of where the Option purchases and sales come from; when and at what price to shake out the holders; when to turn the market, after they are shaken out. This requires great subtlety. Of Dragon we might well say, as Keene said of himself: "The whole world is my spy." The habitudes of the "Pit" are afraid of Dragon as they are of the "Evil One." They watch his brokers like hawks. Suppose he should jump into the pit as button-headed Senior used to; you certainly would think that "Hades" had broken loose. And yet, the old game of "credit given for saving the market" can not be worked upon the public any more. We will look for something new from

now on. Why should one put himself up against such a confidence game?

Here is the position taken by a former commission broker, more in the legitimate line. He argued that because a manipulator had the data, means and power [and collected gambling paraphernalia] he was justified in getting his brothers into corners and squeezes; causing other millions to suffer. The same old effete argument of "Divine right of Kings", royal or monied. The "Divine right" should "kick out" and the United States "kick in" and correct this.

The "London Spectator" of June 18, 1898, says: "A good man may hold a share in a Diamond or Silk Trust; but could not, without violence to his conscience, hold one in a Corn, Salt or Fuel Trust. A monopoly of a thing not particularly needed, does not seem bad; but a monopoly of a necessity, is bad, both from the view of a moralist and that of a politician."

Dragon Senior, besides running corners and smashing others for his own profit, was so mean and selfish, that he ruined even his own brokers, where he found them following in his wake. He should have joined the fraternity of that fellow who was so close that he wouldnt even "spend the evening, he'd pass it"—with apologies to "Tad." He would give no one a chance, whatever. He kept his eye upon every one in any way associated with him. Being among the sharpest set of speculators we have, he had to. If any one crossed his path, woe be unto him. It would have been better for him, if he had never entered this mortal existence.

What were the last days of Dragon Senior; this one-sided, crafty, vindictive, cruel robber? He had paresis of the brain, and had to be led around as you would pilot an imbecile.

When this man appeared (or appears) before the Divine Judge, what could he say when asked—"Did you love and cherish your brother as yourself"? What will the Son say, if he continues in the present line of conduct, when he appears before the Divine Bar of Justice? "Did you love and cherish your brother as yourself"? Would you not think that his son would want to change his tactics, and do some good during his life; and not continue the course of his father? We would naturally say, yes. However, we can not appreciate the tremendous temptation, superinduced by possessing this enormous power. Think of ruling the food prices of the world. Could we withstand the temptation of such power? I think not. This man

should be protected from himself. I am not delivering an eulogy. I and giving facts, not fancies; warnings, not foibles; protection, not pitfalls; and appealing to your highest ideals, not catering to base desires; and the desire to get something for nothing.

Marcossen says: "Food and Clothes are the essentials of life. The men who attempt to corner the staples that provide them, in order to extort extravagant graft, and to put his competitor at a disadvantage serves no economic purpose; and by some mystic rule of retribution, always comes to grief."

Marcossen! My dear sir! You have not taken into consideration, one Dragon and his progeny to whom this "Mystic Rule", for the last forty years, could not be applied. No power but the Government can stop him from continuance in making and smashing "Corners."

"Her prophets are light and treacherous persons; her priests have polluted the sanctuary, they have done violence to the law."—Zeph. 3: 4.

"Even as ye also outwardly appear righteous unto men, but within ye are full of hypocrisy and iniquity."—Matt. 23: 28.

CHAPTER FIVE

THE POWERFUL SYSTEM

Now reader, I will show, and I hope prove to you, that there is a system employed upon the Chicago, and other Boards of Trade; a System pernicious and blighting in its finish of the individual; and it is followed to the ruin of nearly all who trade upon said boards. I will not take time to show you how to trade upon the board, although I could do so; for many of my readers are undoubtedly pastmasters in that art. I will, however, give you some examples.

A spotter, or worker up of business, or some one who has been successful for a few months upon the board, confides in a friend and shows how easy it is to crop a few dollars without working. He finally influences this friend to invest two or three hundred or thousand dollars. The market goes against him and he has to put up two or three hundred, or thousand more to protect his deal. This also disappears in like manner, and he loses \$500, or \$5,000, which is not unusual. I remember of one fat lubber, a remittance man who lost several thousands, many of them against my advice. Now if this one who lost \$5,000 had a tendency to gamble in this way, if he did but realize it and becomes wise; it was the best investment he could make in this line; for ten to one he will quit right there and never touch another option. This victim might well appreciate the old fashioned epitaph placed over a baby's grave: "I was so quickly done for, I wonder why I [was] begun for."

You might say, if he were wise, he never would have touched one in the first place. Many of us have to learn wisdom by experience and expense. The author of this book made a little pot of \$1,000 in one fine day, and was spoiled. He became crazy as any loon that ever flew over hill and dale. He soon had 100,000 bushels of wind wheat bought, and in a short time, was a real shorn lamb,

with no more fleece left than the proverbial one. No remarks please! I often remember what Lewis said: "Goin' forth to shear, he was shorn."

Let us take another subject not quite so personal. One is led to invest, and unfortunately the market goes with him. He feels somewhat like the man who was going on a journey; and before starting invested in Pork. After a few days, a letter came to his wife, in which he wrote, "Pork is up, God is good." (As if the Supreme Being would entertain such a thought.) A week later, another letter read, "Pork is down, Good God."

Now if this second victim was a practical speculator or a room trader, he would have taken a nice little profit and stayed away from the market for a while, and let the other fellow have some profit, if he could get it. By staying around the board where quotations are put up, you become hypnotized. But no, the usual person wants a little more and overstays the market. He is one who wants it all, and there are others. This is unfortunate, for he is being spoiled for sane work. He simply can not get out of the market and he is now well in the toils of the power, and goes from bad to worse. The market ascends for a day, and he sees visions of many thousands; a palace, yacht, and trips to Europe and around the world. The next day, the market goes down with a slump. Curses upon the luck! What can he sell or mortgage in order to secure more margin. He is totally unfit for business or social pleasures. If he has a family, the Lord help the members. The poor fellow is twisted and turned and maltreated, until his days are full of misery, and in many cases there are added poverty, ruin, dope, suicide and a potter's field.

Many traders are like bull dogs who won't let go, or wrestlers and warring nations, who would be glad to quit, but who are afraid to.

Of many of these it might be said, as was reported of a bank client. The Bank Examiner said:

"I have to report that this debtor has no property, either real or personal; no credit, either actual or potential; no prospects, present or future, and no hope, either here or hereafter."

While there have been some lucky ones (and such ones rarely hang around the market or quotation board) there have been thousands of such wrecks strewn over our land during the last forty years' reign of this Juggernaut. These you do not hear of. The ghosts of Wall and LaSalle Streets would fill thousands of haunted castles. Do you

want this sort of company? Then enlist. If not; then consider this as you would rank poison; and also remember that 95 to 98 per cent. of these traders, or suckers, lose.

Lawson says that "the 'Amalgamated' begotten in 1898 and born in 1899, had, up to 1904, been responsible for more Hell than any other trust or financial body since the world began." That was for about five years, and \$100,000,000 the toll. This at Chicago, has been going on for over sixty years, and I know not how many hundred millions have been lost. What kind of a Hell is that?

I will now give you another example of how a man becomes interested in speculation; how he is twisted and turned; raised to the heaven of financial bliss; now carried as far away from this point as possible, until by various tricks, he is bruised, hammered, racked and torn, until we have a wretched apology for a man, if not a crazy one.

What do you think of a power that is trying, by means of all the tricks that the manipulator is provided with, to get you to invest your money in such a manner that you are sure to lose it? Is there any difference between this mode and that of a confidence man?

Most assuredly not, except in the size of the wallet.

Sometimes a poor victim is short on the market to the Power, and not wanting to buy in at a loss, buys a future month option hoping to even up. Now it often happens that this is just what the manipulator desires him to do; as that is the month he is selling. For example, in January, 1915,—May wheat was about three cents away from July. Week by week they parted company. I knew very well what game was being played. In time they were nearly 40 cents apart. The poor lambs were sheared upon both sides, at the same time. That was the worst example I ever witnessed for thirty years. This was during the late European war, and is called a "Spread", or "Straddle."

Sometimes in a spread of this kind, too much will occur during one or two days, and it is noticed by the regular traders. Then how quickly he changes his tactics for a few days. Sometimes he will close the spread for a week or two. Sometimes he will lure his victims on to follow him by continuing the spread, and one fine day he snaps it together like a mouse trap, and there you are caught. Whenever you feel that you are solidly on the road to financial success, then you are in the midst of danger.

We do not say much about this manipulator's putting many firms out of business, by underselling (that used to be a favorite dodge with Dragon Senior) for here he gives the public something for their money.

The Government is attending to this business. What we do strenuously object to, is his going on to the Chicago Board of Trade and manipulating the markets, using his legitimate business in getting you interested to plank down your money, only to lose it, without your receiving any material benefit. In this, we leave out the moral side, you note.

Dragon tries to vary the program from day to day, as to opening, also closing and general manipulation of the market. Must make it interesting, you know, or the gamblers won't play. He must keep his fish interested by wigwagging the bait. As far as the day-to-day program goes, you might just as well have some one put figures on the board, you guessing whether the next figure will be higher or lower.

Suppose he has thousands of barrels of pork contracts bought and he thinks it is about time to raise the price. He gently moves the price to and fro for a few weeks, quietly boosting the price; and after a while, will have some of his numerous correspondents wire reports of Hog Cholera in Paudonck or Trichinosis in Ballatava; and those short to him will rush to cover, and up goes the price of pork without any effort upon his part; until he stops the mad buying by selling out his long options, or selling short. Many a time has he fooled Cudahy, Morris, Swift, Hammond and others, and taken their money. Like the Opium Gang, when one plan of operation is fathomed, another is quickly invented. But where the opium smugglers have \$100 to back them, this fellow has \$1,000,000 at his beck and call.

And still another trick. Sometimes he will wigwag the market so fast and wide, that the brokers become frightened and call for excessive margins; and not having it handy, the traders are simply sold out in the pit; and our manipulator, happy in the haul he has made, raises the market to heights sublime, and the victim's eyes glisten with tears as the price mounts. Isn't he surely the emissary of the Devil?

This talk about Rockefeller, Rogers, Stillman, et al.; why in Chicago, as I have said, we have the craftiest robber of them all. He is always glad to have some Goat like McGeoch, Pardridge, Leiter or Patten to throw credit upon as a cause of these *great sweeps of values*. How to get evidence against him, is the study of our Government. They do not go about it in the right way. How foolish to subpoena Patten, Leiter, Armour, Swift, or any other Chicago man to secure evidence against the Chicago Board of Trade. Will they give incriminating evidence? Not on their lives. That is a matter for

the Secret Service, and would cost many hundreds of thousands, to carry it out to perfection.

During my sojourn of a week upon the Board of Trade, securing information at first hand—when the poor lambs on the outside, who were being shorn; were bleating so hard that the heart of the most calloused sinner should have been touched; what were the shearing brokers doing? Dancing like Dervishes, jostling and bantering one another, knocking off hats, swaying and bellowing the latest popular song, full of mocking ribaldry, while waiting for the pit to boil, in order to scalp a few more commissions of eighths and sixteenths.

But you may ask, should we disband the Board of Trade? No! But the Government, in every way possible, should hamper this gambling in the PRICE of food products. Let the members be satisfied with legitimate dealings and a fair profit, giving the traders a fair show. We need the Board of Trade, but we do not need this wind wheat speculation. I presume that a fair amount of speculation is the life of trade, but this abnormal gambling should be forever cut off. No one wants to prevent an actual owner from selling his goods for a fixed price for a future delivery. That is different. He is not short selling something he does not own, and trying to depress the value of others' property.

You say you have a lot of wheat, which can be protected by selling an option on the Board. That is different, as far as you are concerned. The manipulator, however, does not want your wheat, for as Hutchinson would say, "It is difficult to get rid of the corpse." He would much prefer that you sell against him at times, when you do not have any wheat to furnish in settlement of your losses.

I have positive proof from one who lives in the city where I now reside. He said he had sold his wheat and oats over and over again, from 30 to 35 times. They would send him the cash difference. They did not want his wheat or oats. He also reported that a friend of his had carried on a similar business for a time.

Frank G. Delany writes interestingly, in the "Price Current-Grain-Reporter" of September 29, 1915, of the Chicago Board of Trade, but complaining that—

"Newspapers and magazines had been during the era of muckraking displaying a persistency that was remarkable in printing articles that, however speciously written, were born of ignorance, all tending to convince the reader that exchanges were an unmixed evil."

"Most people being somewhat disposed to believe the sensational they were gradually coming to the view that boards of trade and com-

mercial exchanges in general were dens of iniquity, were simply organized blood-suckers, preying on producer and consumer without distinction as opportunity offered."

"We have heard here in Chicago men whose attainments should have promised a better knowledge, expressing the opinions that exchanges were gambling institutions and an evil too long tolerated."

How about Judges Grosscup, Anderson and Mulky and Attorney Fullen? Their judgment can certainly be relied upon.

"We have heard every sharper who has been caught in the toils of the law defending the operations of his 'get-rich-quick' scheme by comparing it to the Board of Trade. We heard only recently a scheme for race track betting described as being designed by capable attorneys to be 'just as legal as the operations on the Board of Trade.' And so it is small wonder that many men who should know better have allowed themselves to absorb the impression that the Chicago Board of Trade is nothing more than a high-toned institution in which gambling is carried on as a business, with grain and provisions used as the currency in the game. Nothing could be farther from the truth."

I can honestly say that nothing can be *nearer* the truth.

"At the present time its membership numbers over 1,600, and its members are scattered from Liverpool, England, to San Francisco. About 1,200 of its members are actively engaged in business here in Chicago."

"The Board maintains statistical bureaus, the honesty and accuracy of whose work have never been questioned. The resultant mass of information is distributed gratuitously, of course, although its collection involves enormous continuous labor and expense. It brings to the exchange floor the market news of all the world. All of the daily newspapers are represented on the Board, and the information is through newspapers given to the waiting outside world."

Put to right use, what a valuable aggregation of force. Put to illegitimate use by a monster, who rules the Board of Trade with an iron hand, what a power for evil and home destruction and "distributed gratuitously," Holy Moses!

In describing the "wheat pit", he quotes a novelist who described it as being, "only thirty feet wide, but which leads straight to hell." That author told an alarming truth. One person remarked that the wheat pit looked like "a lunatic asylum going on a spree."

"The Board handled approximately 362,000 cars, or nearly 656 million bushels of grain. This turned into dollars on the basis of 1914 values would represent perhaps a turnover of approximately a million dollars a day for every business day."

Where does he get away with the billion gambled in.

Delany refers to traders from "Vladivostock, Tokio, Hongkong

or Calcutta; Constantinople, Naples, Paris or Cape Town; Sydney, Australia, or Buenos Aires; Stockholm, Vienna, Liverpool or Winnipeg; San Francisco or Berlin; London or Rio de Janeiro, on reaching his office turns invariably to ascertain the Chicago quotations on wheat; for though he may not trade in Chicago wheat directly (although it would be surprising to tabulate the amount of business that comes to the Chicago pits from these foreign lands, in the way of 'hedging.'")

Please refer to my "Chart" on page 82.

"Every bushel of grain which is bought or sold on the Board of Trade is actually delivered when the contract matures."

Oh, Delany how can you make such a statement? You know it can't be true. The reader is referred to Chapter XII., where Attorney Chas. D. Fullen and other legal lights expatiate a little upon this. He does not tell of the "Round Turn" and the "Ring Method." Of course not. The following is pretty near the truth:

"It is true that one of you here may instruct me to buy 5,000 bushels of May wheat today (5,000 bushels of May wheat means 5,000 bushels of No. 2 wheat delivered in public elevator in Chicago by the seller some day during the month of May—the seller may determine the day, unless specifically stipulated otherwise). I buy this 5,000 bushels of wheat. A month from now you conclude that you don't want to carry this wheat trade any longer, so you instruct me to sell out your wheat. I do so. In order to do so I must find a buyer. I go into the pit and find a buyer and make sale for your account."

So you see that 5,000 bushels of wheat might be sold 1,000 times and no commodity passed. He agrees that "a warehouse receipt may in a month pass through a dozen deliveries", and yet no commodity passed. He continues:

"Trading in future deliveries is the feature of Board of Trade activities" [about 99 per cent.] "that is most roundly condemned by those who are 'apt makers of phrases.' They style it 'wind wheat'; they call it 'gambling in the people's breadstuffs.'"

On page 18 of the same issue, Delany endeavors to gloss over the ravings of the action of the wheat pit, calling it "competition raised to the *nth* power, whatever that may be. Of course he ignored the iniquitous underhanded power, that was mysteriously moving the market toward dangerous cataracts and whirlpools of loss, poverty, family destruction and suicide. He closes with a few high sounding phrases:

"We have been put to the test; we have been tried, and we have not been found wanting and so, as I have stated in my opening paragraphs, the American public, with the object lesson so recent, to its eternal credit, has changed its mind, and I believe that we as a part of it

will not forget the experience of 1914 and 1915. The Board of Trade fears not its record. It asks nothing more from the American people than to be judged by its work, according to American standards of fairness, by those intelligently composed to judge and to continue the gradual but sure development of nearly seventy years to a point where it will serve the interests of us all better each year as the years pass on."

I only need to call attention to pages 22 and 24 of the above named issue to recall to the reader the wrecks caused by corners. The writer stated:

"Trading in grain for future delivery is now entirely on a commercial basis. During the past forty years, however, there have been a number of spectacular corners which have achieved much publicity through the press and which have materially influenced the public in believing that the Chicago Board of Trade is an immense 'gambling institution.' However, this belief is being dissipated fast as the public generally gives its attention to economic subjects."

"Corners are now a thing of the past."

What a misstatement. We have had four or more corners and squeezes in the last two years, or so.

"Corners in the grain business have been largely matters of accident."

Good Lord!

"For the benefit of those who do not understand just what a corner is, we can best illustrate it by saying that grain is traded in for future delivery for certain months. This is the month of September. Those who have sold grain and cannot secure it to deliver on contracts are 'short.' "

That is the evil that should be eradicated.

"Under conditions prevailing on the Board a few years ago, the man who had bought could 'corner the market' and exact from the man who had sold to him but could not deliver this month, every cent that he could squeeze out of him."

Lovely business, isn't it?

"However, under the rules of the Board, as they have since been formulated, a corner is now practically impossible."

How about the above four?

But why go on. The people will awake from their dream some time, I hope.

Napoleon in speaking with his master of finance, Mollien, strenuously argued that those who speculated in the national securities with the anticipation that the prices at a future time would be lower were no less than traitors to France.

I agree with Nalopeon, and will state further that he who sells short the food products of the world, thereby defrauding the farmer and provision packer, *is a traitor to his brothers, and to his country.*

John F. C. Merrill in an able article tries to bolster up speculation in wheat, etc.:

"Tested by these alone, I submit that unlike gambling and similar to the operation of insurance, speculation in the grain and produce trade of the world is amply justified by its economic contributions to the public good."

Mr. Merrill, do blasted homes scattered all over our land properly justify this?

Then he proceeds to "pass the buck":

"If it is illegal, or immoral, to sell something, the title of which you do not at the present time possess, or, to buy something which you do not expect to use, but only to result as you hope at a profit, then whatever its economic benefits, speculation in the produce trade or in any other has no reason for existence."

If the majority of this nation consider it moral to depress the value of another man's goods, and by deceit and chicanery rob him and take away the means of properly bringing up a family; our nation should be pitied. No, Mr. Merrill, the majority is growing very fast, that condemns this option farce not only as immoral but also as a swindling robbery.

SPECULATIVE GAMBLING OF THE MOST RABID SORT



GRANT AND WARD FAILURE IN WALL STREET IN 1884
The Shame and Pity of It



CAUGHT
Like Fish in a Net

WHERE THEY ARE HYPNOTIZED
Like a Leopard's Tail, Rooted to the Spot
and Spotted to the Root

"And I saw three unclean spirits like frogs come out of the mouth of the Dragon, and out of the mouth of the beast, and out of the mouth of the false prophet."—Rev. 16: 13.

CHAPTER SIX

SHORT SELLING AND OTHER ERRORS

Here is one explanation of short selling, which is perhaps somewhat paradoxical. It is sometimes difficult to try to sell wheat which you do not own, to some one who does not want it; and after he gets this mess of wind pottage, wishes he hadn't it; so he sells what he hasn't to some one who does not particularly desire it, and thus repeats the process of elimination. You can easily see where we are at.

It reminds me of a "Round" in music, that we used to sing in "Ye olden tymes"; and also reminds me of a song a dear brother of mine used to sing, in "Yankee Land"; one in the lighter vein. The text dilates upon the adverse charms of an affinity, as having "a mole on her cheek as red as a beet, it looked like a big cod fish ball", and "Her mouth when it opened looked like a mouse trap, it worked on a spring I suppose." "But then she's a beauty long side of my wife, and to-morrow I'll get a divorce, and the secret it, I don't mind telling you, I'll marry this young girl of course." The Chorus is the point in question, and runs as follows: "Now you know what I know, and what my wife don't know. She don't know what I know, but what I know you know; If you tell her what you know and also what I know, Then she'll know what I know, what you know, also." And there you are.

It is the short selling manipulators at Chicago, that get you. They are willing to sell you wind, which they do not even own, any day of the week, and on Sundays, if they could.

You try to sell Short a few bank shares, that you do not own, and see where you would land. But why is a bank more sacred than the proprietor of a wheat and corn field. Is he not just as worthy of protection?

Think of the graft and drain upon the people, besides the robberies. The commissions to brokers besides the tribute to the manipulator,

amount to millions. Seats upon the New York Stock Exchange, have sold from \$25,000 to \$100,000. The latest price I believe was about \$75,000. That of the Chicago Board of Trade is from \$25,000 to \$27,000. Remember that the victims pay for most of this. The manipulator has his work done for him at a special discount rate. Davis says that more wheat has been sold upon the New York Stock Exchange in one day than could be delivered in twelve months. At that rate some day's work of the Chicago Board, would take several years to deliver.

Take Cotton Gambling. Not one bale in a 1,000, is delivered. One man declared in 1894, "that for the last twenty years, the South has been defrauded of \$500,000,000."

To return to wheat. It is interesting to note how ingeniously Dragon Junior starts a future option, say from six to eleven months before the option has to be settled. One day you will notice there was a call for some month not quoted before. This may be the only call for a week, or there may be a call for this option for several days and then a respite. This mode is carried on for a time, until a regular trade is set up in this option month.

Wash sales are used to create a new option.

As previously remarked, the person who hangs around the Board Quotations, becomes hypnotized and soon is lost in the confusion of figures and changes. When he does act, he acts about as the manipulator desires him to; that is, on the opposite side from what the manipulator is working. How often have I noticed this. Remember that you are hypnotized into a state of believing that the market is going higher, when the trend of the market is all the time going lower. This trend you have lost sight of, if you ever had a vision of it at first. It was useless to try to convince those hypnotists, as I call them. The Dragon's power was uppermost.

You become bound hand and foot. By what means? By consummate deceit and chicanery. You become abject slaves. Well did Burke utter these words: "The people never give up their liberties, but under some delusion." We have here one of the most pernicious of delusions and snares.

Much of the telegraph advice sent out from Chicago and New York, should, if absorbed, be taken with large grains of salt. Also take little stock in the advice that is spirited over the wires to the papers, as valuable. Our Manipulator has had much of this news

for so long a time before you read it, that it has grown an extended beard. He has the best bureau of statistics in the world, and makes use of this valuable (?) news, days and weeks before it reaches you. Has "cooked news" sent by high salaried "bright sparks" from Argentine, India or Paducah; as they used to start "bunk" news from St. Petersburg to Germany; thence to reputable banks in London; thence to the world, in order to fool them.

This Dragon takes advantage of war, various calamities, fire, flood, disease, wrong reports by our Government, and leaks from the same source, disseminates wrong crop grossip and telegram dope. Pulls out Green Bugs, Hessian Flies, Chinch Bugs, Rust, Drouth, Smut and "Bob" Weavil. Creates wash sales. That is, appear to be buying, when he was selling ten times as much through other brokers. Closing the market one day, leaving the appearance as if when the market would open the next morning, it might go to perdition, getting as many traders short as possible; and when the market does open next morning, you will find that it is from one to three, ten or twenty cents higher. Thus you are ham-strung, and vice versa, high closing and a smash at the opening. You might as well throw your gold into the middle of the ocean as to expect to ultimately see your money again. Here are how the farmers are fooled. In June and July a farmer sees the September option at a premium and concludes to wait to sell, but as September comes nearer, down comes the price of wheat, cash being depressed and futures exalted, the elevator man taking the difference in profit.

Then again, in low priced times the farmer raises small crops, and manipulator takes advantage of this, and vice versa, in high-price times.

They will stoop to anything to gain their ends. Once a Keene Broker received an order from New York to sell three million wheat; and after the market closed, found that a bear clique at Chicago had forged the order.

Some years ago, farmers of the Central West, asked some manipulators at Chicago to start a corner, and furnished money to help them. They received a present help. BUT! they placed a noose around their necks, and it has been there ever since.

I hear you say, some gain and have success. Yes, but such a small per cent. You hear of these, but how few of the thousands that lose. Do you wish to take your chances with 98 per cent. losers

and 2 per cent. gainers? Like Wall Street, a list of the Shorn Lambs are never published.

I am one of the tens of thousands of unlisted, that have been fleeced during the last fifty years, and I am not ashamed to stand up and say so.

However, I would feel ashamed if I should be so foolish as to don the noose again. As some hyphenate might say, "It vas de phools ve vish to zave, don'd it"?

Young gentlemen, if error ever suggests to you, that you might be One of the 2 per cent, immediately say, "Get thee behind me Satan." And don't stop there, but administer a good swift kick, for good measure.

After what I have shown you; how you have no chance at all in this business of wind and water; how every move is made to fool you and, practically every card is marked; how, when you try to save yourself, you are balked at every turn, until your margins are pared here, hewn there, and in despair you collapse into utter confusion. Do you want to engage in battle with this ferocious beast? If, with this knowledge, gained by practical experience, you do; you will deserve whatever you receive.

Anyone who has read articles written by Thomas Lawson for the last seven or eight years, and then grapples with the New York Stock Exchange, deserves whatever treatment he may receive there.

Along with you own mistakes, there may be an accident (sometimes made on paper) that will occur. The members of the firm that has your margins in hock, may disappear like schooners that enter a fog. In case of Bucket Shops, they often disappear like manna before the rising sun. You rarely have any recourse. The Government can't seem to issue any power to return lost margins. The Government should be made to pay these losses for having licensed such institutions. The Bucket Shops are disappearing like the Red Men, and likewise speculative gambling at Chicago and other cities must get into the procession. It is only a matter of time. But we should hasten the time and save our misguided people.

As Rogers was the wire puller and master of Standard Oil, and at the receiving end of the greatest Information Bureau in the world; so is Dragon the master of the Chicago Board of Trade, and at the receiving end of the greatest Crop Information Bureau of the world.

Some time ago, a broker of some fifteen years' experience, said: "Speculation as carried on now, is devilish business, and will be stopped by the Government in time, at most, a few years." But he further said, "What can I do, that business is about all that I know, and I must care for my family." (See Appendix II., No. 1). A former broker declares that the option business is "injurious and iniquitous." What better evidence can you have.

Generally at this epoch, Dragon is securing his profits by smaller ranges of prices; and enormous deals of speculative holdings. War or famine gives an excuse for a wider range of prices, as in the present war.

You may ask why, after all this knowledge was gained, I did not speculate and become wealthy. This is easily answered. For the special reason, if for no other: I never had the requisite capital. I very well know of the various pitfalls that beset one, requiring capital to bridge. One must be prepared for bear raids, washes, matched orders, stop loss orders, stop-hedging offsets, cross orders, kickbacks, shake-outs, trailer knockouts, over-night freeze-outs, snuffouts, the last one to five minute squeezes at the end of an option, which might be called the Devil-and-all-outs; and other surprises too numerous to mention. Any way you get out after your margins have been wiped out. This situation reminds me of a Scotch story, which space forbids my giving.

I have been asked why, with all this information, I did not head a syndicate. I could probably make fortunes for those who had \$100,000 to back deals.

I probably could teach them to be a little more sane in their rabid speculation. But of what use would it be to them outside of proving that there is a system to the gambling at Chicago, and to beware of it. Would they stop after they had tasted a little of success? I think not. Aside from the moral aspect of being a partner with the robber; suppose I should, and make a few tens of thousands for them; in a short time they would feel that they could go it alone, and I am positive they would come to grief, and become unfitted for sane duties of life. They would not be able to stop. It really becomes a disease, and continuous gambling is sure to financially wreck them, if they do not become mental wrecks.

In proof of my statement that they can not keep away, I give the following: A well-to-do bondholder in Iowa cleared up \$2,000,-000 in cornering pork during the Franco-Prussian War. After this success, he traveled right back, and soon lost it all. The wife said

that "all she ever got out of the Two Million, was a Hall Carpet." You can credit Dragon with the remainder.

A sign of moral improvement, well, well! is the following: A few brokers in New York City are refusing to do a margin business. Others may follow London in requiring settlements every fifteen days.

It is the "Lure Of Easy Money." But how low the wage and how hard to cash in; and how much sorrow engendered.

Here is what Steele says of women gamblers; he calls them "female gamesters." "Hollow eyes, haggard looks and pale complexions are the natural indications of the female gamsters. In short, I never knew a thorough paced female gamester to hold her beauty two minters together." Ladies, beware!



LAMBS SEEKING PASTURES FAIR AND GREEN (LONG GREEN)
The Paths Trodden by the Innocent and Well Nourished, the Uninformed and
Unprepared: Oft Lead to Disillusion and Destruction

"The getting of treasures by a lying tongue, is vanity tossed to and fro of them that seek death."—Prov. 21: 6.

CHAPTER SEVEN

VARIOUS STORIES AND HOLDUPS

By these stories, I will show you what Manipulators do to gain their ends, and sweep the tables of coin. A Manipulator robs a friend just as quickly as an enemy. And the grain and provision markets are now presided over by a person I call Dragon, who is a robber and swindler.

I will now give you a few examples of downright hold-ups and sneak thievery in large figures, worked by the master manipulator, Dragon Senior. In 1883 Peter McGoc came into the limelight. McGoc, he of the "deaf ear and eagle eye", a doughty Scotchman hailing latterly from Milwaukee, a fruitful source of "bulls", "bears" and "beer"; after many successes and failures, was trying to run a corner in lard, in the eighties. McGoc was a "natural bull", and thus could not see any other side. So Dragon Senior was "layin' for 'im." Peter had gone to about the end of his financial rope and came in to see Dragon, who was pretending to be his friend, all along the slippery path. Dragon said, "Well, Pete, how goes the lard deal"? "Oh, brawley, up to this point." "What's the matter?" "You see, ma freen', I need mair gowd to carry oot ma scheme." "Um, how much do you need, Peter"? "Oh, aboot a hundred and fifty thoosand, would do muckle weal," said Peter. "Pete, I'll loan you that, to show you that I am game." So away goes Peter, "happy as a lark", and bulls lard a little more. One hundred thousand is but a drop in the bucket in running lard deals.

Meanwhile Pete's friend (?) has ordered his brokers in the pit to sell Pete all the lard he wanted, but make him bid a little more for it, each time. Why? Well, you see several of the big packers of Chicago were following Pete, besides many speculators there and in other cities, and as long as the market kept gradually rising, they would hang on and increase their holdings, which meant more margins for Dragon to scoop when the fateful day arrived. The deal was

assuming enormous proportions. Peter came to another halt, as his money was used up; and again came to said friend. "Well, Pete, how goes the battle now"? "Wall, I'm getting doon an oot for foonds." "How much do you need"? "I ween, aboot two hundred and fifty thoosand believe cood win." "All right, Pete, I'll go you."

Pete was again made happy, and was the last real human happiness he ever experienced. When this last loan was about used up, Dragon thought the grist was about ready to shoot down the hoppers; and also that may be, some wise holders might consider it a proper time to take a neat profit. Before they could reconsider, Dragon, after stopping Peter's bankers from loaning him more funds, ordered his henchmen to sell carefully, and then, later dumped whole blocks upon the market.

The market was murdered to the tune of about \$8 a tierce, and nearly faded from sight of man; and after he had stripped the "Bulls" all he dared to, for fear of more failures, he bought in large blocks of his shorts and again "*saved the market.*" You know, lard is very slippery stuff, and it is almost impossible to stand up, either on it or under it. Rather more so than riding on the revered and honoured "end seat on the water wagon." Companies were wrecked, commission houses failed and the market demoralized. Poor Peter was "doon un oot", and was roundly cursed by those who followed him. His chubby face was ne'er seen in "slippery places" much more; and he died a few years after, of a broken heart, another victim to the financial god Dragon. Dragon could well have given poor deceived Peter several hundred thousand, or a million, for helping the deal to such mammoth proportions. It is said that Peter had \$6,000,000 to settle for, but I hardly believe it was quite that. Still a million won't go far in such deals.

I presume that Dragon told the bank presidents that \$1,000,000 would be of about as much use as he said of Cudahy, when Cudahy's friends came to him and said that \$400,000 would carry him over. Dragon said that it "would not be a drop in the bucket." Quite so!

This slippery occasion was the author's introduction to the broker's board. But it did not mean much to my untutored financial faculties. What a pity. Now I can see what ruin was worked. If Dragon would treat friends (?) that way, what would be meted out to enemies? I answer, the same treatment was accorded both, where there was a profit in sight. I refer you to Lawson.

Does this not prove that he was that kind of man that Rogers said Addicks was? "He would cut his best friend's throat with as much ease and satisfaction as he would his worst enemy's, if not with more."

This experience of Peter's calls to mind the following. A dear good Scotch Laidy, one Sabbath morning, was feeling churchily inclined, and donned her Sunday best, which included a new, immense ear trumpet, and promenaded to "Kirke." The Beadle spied her at some distance, and as the reverent laidy came nearer and ascended the steps, fear for the dispellment of church sanctity and decorum, filled his heart. He feared that the innocent lady might be free in "blowing her own horn." The Beadle followed her up the aisle and into a vacant pew. As the devout woman arranged herself for a protracted stay, and was about to take her ear trumpet into her lap, the now thoroughly frightened Beadle pointed his finger at her, and yelled at the alarmed woman, "Woon toot and voor oot."

Certainly, Peter McGoc after his last toot, was oot. When Dragon can fool connoisseurs so easily, what chance has a novice?

To show that this fellow would stoop to anything to gain his end, I give the following:

About the meanest trick Dragon Senior ever played, was that of using a Baptist preacher for a dummy Bellwether, Goat or Stool-pigeon.

The Reverend Forlorn (as we will name him) called one day to solicit a subscription for his church. Dragon received him very graciously, and in his most suave manner (he could put this on when inclined) said, "Ah, my dear sir, how can I serve you?" Rev. F. broached the subject carefully, as to the needs of his pastorate, and "if he could see his way to favor the cause with a subscription, his parishioners would be so grateful." Dragon's eyes glistened, as a thought came to him, that here was a chance to make a good killing. The conversation continued thus: D. "My dear Reverend, I don't believe I could give you a subscription. But, why don't you invest in a few thousand barrels of pork"? Rev. F. "Oh, sir, I could not do anything like that. What would my parishioners say"? D. "They needn't know of it, and you might make several thousand dollars for your needs."

The kind hearted pastor was half persuaded, although he did not feel that it was just the right performance to carry out personally.

Dragon saw him wavering between the heaven born instinct and another of human suggestion; and said, "Don't you think it would be a fine opportunity? I will give you the benefit of my experience."

After a vocal parley, back and forth, Dragon won him over by stating that he would loan him five thousand dollars, and Rev. F. was profuse in his thanks. As Dragon handed him the cheque he suggested a broker (one of his own, of course), for him to go to, how to gradually buy from day to day, and further said, "Now, Rev. Forlorn, there is only one promise that I shall require from you, and that is, that you will tell no one of your dealings." "Oh, no sir, certainly not. I will carefully observe this requirement." Now see what happened. Rev. F. went to the broker named (who was expecting him), purchased a thousand barrels of pork (light and airy kind) and in a day or so purchased another thousand, having seen the market gradually advance; and his profits upon said wind mounting and doubling. It was not long before the whole of his \$5,000 was in "hock." Now came the inevitable mental and spiritual battle, and as usual in such cases, the Devil won, and several of his good deacons carried their carefully hoarded ducats, to the deadly shrine of mammon. "Up, up she goes", and soon trustees and other members are caught in the wily net, until there is about \$100,000 put up as margins. One point the Reverend learned: that there was found plenty of money to speculate with, where there seemed to be none for church work. "Such is life in the far West."

At this point, Dragon's art comes into play (he had been kept well informed of progress made) and he dangles pastor, deacon and layman in the air for a few days, until he carefully reasons that it is high time to "make a haul." He lets them gently down a little, giving "spasmodic lifts", in order to furnish a few fleeting moments of cheer and joy; and one fine morning the pastor and flock receive a severe shock. The "bottom had fallen out of the market", and piggie had slid "clean out of thight, thir"; and the deceived and slaughtered gang, who couldn't hear other squeals than their own, sneaked away from the quotation board, "sadder if not wiser" than their fellow beings. These "gulls" with tributary "hanger ons" paid tribute to Dragon, of about a half a million, which he considered at that time a good month's work.

It looks easy, don't it. Let me tell you that it takes a few years

of practice to be able to carry such a trick to success. Surely they thought that the "Devil was in the pot."

But I am not quite through with Pastor Forlorn. Passing over the thought of whatever treatment he might have received from the members of his flock, we will now come to the *finis*.

One day, a demure bent form came to the outer office of Dragon, and a thin voice asked for an audience. As he, "who was none other than" Rev. Forlorn, came into the presence of his Satanic majesty, of the polished dome, said dome opened up; "Ah, whom have I the honor of addressing"? [same old suave game]. Rev. F. "I am the gentleman who called upon you some time ago soliciting a subscription, and you advised me to buy pork." D. "Why, so I do remember something about that. And did you buy pork and make some money"? "Yes, sir, I did carry out your suggestions, and made money at first, but later the prices descended and I lost it all, and the \$5,000 you loaned me." D. "Oh, that was too bad, but don't worry about the money, I shall never trouble you for it. Just forget it. It must have been a disappointment to you, but rest your soul as to being in any debt to me." [Quite true.]

Rec. F. "But I promised you I would not tell any one what I was doing." D. "And you didn't, did you"? Rev. F. "Yes, I did, and am very sorry [and I am sure he was]. D. "Sir, that being the case, I wish to have nothing further to do with you. There's the door, sir; good day." A portion of this story may seem pleasing to us; but I have no doubt that the Rev. was "able to control his merriment."

I will allow you to call this performance, in toto, by whatever name you please. No appellation will be too fierce. Dragon is not the only one who has played the same line of tricks, and this, mind you, was a mild one compared to some. There are days when the "killing" is ten millions. What a waste of time, money and valuable energy. Readers, you can stop this buccaneering if you really desire to have the license revoked, as to marginal trading, and short selling. If I can secure a nation-wide reading of this book, marginal trading will be a thing of the past.

This tallies somewhat with "Deacon" Daniel Drew, his pastor and parish. But Daniel was more generous. This flock of gulls lost about \$650,000. "Deacon" Drew made good the pastor's loss

and that of the pastor's wife, \$40,000, but did not make good the losses of the flock.

It was told me that Deacon Russell Sage played a similar dodge upon his pastor. Tut, tut! A go-to-meetin'-man doing such things? Why, how you talk! Russell gave him a "Tip", and the dear soul must gabble to some of his flock. His flock lost several hundred thousand, and he was also mulcted to the tune of \$5,000. Bemoaning his fate, he went to his friend and bright spark, Russell, and retailed how he had lost \$5,000. Poor sympathetic Sage-brush was so sorry. "I wouldn't have had that happen for a farm down east." "Here, let me hand you a cheque for \$15,000, and you say nothing to anyone." It is quite easy to believe that this was the pastor's share of the rake-off, although he undoubtedly was innocent of the part he played. From the business (?) standpoint, it was due him, and perhaps more. Let us be thankful that the "larger share" of the balance is now in generous hands, and are being given back to the people.

It is said that Sage was never known to wear anything but an eight-dollar suit of clothes; and that he foreclosed a mortgage upon his own brother's property because said brother could not pay his interest.

Jay Gould, when interviewed by a reporter, in regard to some important deal: "People do not go hunting for ducks with a brass band."

Here is what Col. Dick Maple, he of the "Dollars and Devils", wrote of John D. (even of his legitimate business):

"Look at John D. Rockefeller. Why, bless his little shriveled up soul, he has crushed the financial life out of enough of poor, industrious, hard-working men, to entitle him to a pit so low in the regions of despair, that it would keep him falling from now on until the earth was worn to the size of a small mustard seed."

Not very artistic, but straight from the shoulder. I say Dragon Junior, "Old Chappie", what are people going to say of you and your illegitimate pilferings, when a certain fellow is through with you?

Here is one of the many John W. Gates stories. An innocent but enterprising country lad came to New York City, to extend his sphere of activities, and having for some years read of Mr. Gates' successes, immediately called upon him. After being duly ushered into Gates' august presence, said: "Mr. Gates, I have come to New York to engage in *an honest business*, and have come to the Stock Exchange."

"My dear boy", answered Gates, "You have come to the right place to succeed, for *you will have no competition.*"

The fever of getting something-for-nothing, struck the son of a widow friend of mine, who remarked that "her boy whom she sent to travel in Europe, sauntered into the gambling hell of Monte Carlo, and played for a few minutes and croppped \$500. Upon arriving home he was wild for a roulette table, because he believed he "could make a lot of money." Now how was he going to do this? By robbing his companions, how else could he? He did not stop to think and realize this fact. His mother wisely said, "No you Don't, and that is the end of it." He is now up in Alaska attending to legitimate business, thanks to sound sense and firmness of a loving mother.

A story of the early days of the Board of Trade was reeled off to me by a friend of Dragon's. Both M. (we will call him) and Dragon were buying and selling in the pork and lard pit. Pork had been going down, and M. had accumulated about all he dared to. Pork kept on declining and he began to be uneasy about holding on any longer. Dragon said, "Hold on, don't be a quitter, the market will turn some time." The market declined further and further, and M. finally gave up, and Dragon bought his wind options. And still the market declined until he noticed Dragon bidding more and more freely, while before this, he would bid under the market.

Shorts began to be uneasy and the more careful "bought in" their lots. The more frightened the remaining shorts became, the higher the prices mounted. From the low point, pork went up six dollars a barrel. At this figure, one morning when hogs were noticeable by their scarcity, with the consequent elevation of nose and vulgar price; pork opened 50 cents higher and continued advancing. M. noticed that Dragon was selling for all he was worth; and he knew that he was simply closing out his "long trades." A "delightful clean-up" was recorded.

This personal trading Dragon was obliged to do, until he had trained a few henchmen to carry out his fleecing plans. I wish I could meet M. again, for I know he has scores of stories that he could relate for our edification.

One day, while I was upon the Board floor, there was quite a "flurry" in wheat. The price had gone up four cents and was still advancing "steady by jerks." There was a well nourished and groomed gentleman of about forty-five, sitting under the balcony where he could

watch the "wheat dial" wigwagging off the eighths, quarters and halves. Every time there was a spurt of a cent or more this fellow would wince, perspire and mop his cuticle, as a nervous baseball pitcher would when there were "three men on bases, and two out."

Ah, said I, you short seller, you have been picking up minnows and little fish galore the past few years; and now Dragon has you in his maw. How that man squirmed and suffered. I'll warrant he hated to go to his beautiful home after board hours. I'll warrant that he had a sleepless night, wondering whether he would own his home by to-morrow night.

What of the wife and family? I do not need to pursue this thought further. Why didn't he get out of the market? The poor fellow was hypnotized. How could he take such an enormous loss. The usual method of these hypnots is to take a small profit and let the losses run. Of course, the post-graduate speculator would say "they should do just the opposite."

Wealthy men who were being wrecked by Dragon, would come on bended knees, asking him to let up. He would cold-bloodedly remark that the "times were not propitious." And why, from his standpoint, should he let up? They would do him up if they could, wouldn't they? It is "dog eat dog"!

When Dragon Senior used to get into a tight place, he would have some bill passed by the Executive Board of the Board of Trade, which would relieve the tension, to the dumbfounding of his opponents.

Here are a few of the hundreds of banks robbed by Presidents or Cashiers being seduced into speculation upon the Board of Trade. I have named the Fidelity Bank of Cincinnati, crash, caused by President Harper. In Iowa, there was Tom Ward, banker of Lamar, ruined. The Pella Bank Case, E. R. Cassett. President Cassett was arrested in 1896, sent to the pen for nine years. Brown of Griswold, a relative of the Governor of Iowa. Indicted and disappeared. Wolfram, a legislator. There were four cases against the Chicago Board of Trade, in Beard vs. Milmine. See Federal Reports of 1896 to 1902. And so we might go on.

"The heart is deceitful above all things, and desperately wicked; who can know it."—Jer. 17: 9.

CHAPTER EIGHT

AND YET MORE TRICKS PLAYED UPON THE LAMBS

Bear says: "Ninety-nine cases out of one hundred are simply betting on 'futures', or 'options', or 'forward sales'"; and this, mind you, is carried on, at Chicago, in the name of "business." It is said that delivery is contemplated. At first, deliveries were made. That now is the farcical side. The losses are the *real* and *serious* side.

The day of the Plunger may be past; but the greatest of all produce gamblers, will go on until the Government stops him. No combination outside of the Government can stop him. Mark these words which I utter, after having carefully followed his manipulations for thirty years.

Lately, a Broker of wide experience, stated that 85 per cent. of money put up as margins, is lost. Another broker of enormous deals, said, in confidence, although such matters were secrets of the profession; that "out of the hundreds of thousands placed with him by confident 'investors', only 10 per cent. (10%) ever re-entered their pockets." If that is not swindling, I do not know what swindling is. In answer to my question, if \$5,000,000 were lost during some exciting day upon the Chicago Board of Trade. the first broker replied, that \$10,000,000 would be nearer the truth. Think of this, friends, paying \$10,000,000 for the privilege (?) of trading in wind. What can our Government say for itself, to allow this enormous loss while nothing substantial is given in return; but on the contrary, suffering and ruin.

He also stated that in good speculative times, "an average of \$100,000 to \$200,000, depending upon conditions and stimulant in front, are yearly taken out of each Middle West and Western State.—Put it millions from Illinois and New York.

Here are some of the many tricks of daily or weekly occurrence. Bear in mind that the main idea of Dragon is to fool you, and he may

play the same game for two or three days, and then ring in another change. At other times he will ring a change every day. Whatever he or his henchmen believe will fool you the easiest at that special time, will be worked.

Take pork, for example, if he wants to run in a lot of shorts that are out (he knows at what figure they are short, and what States they are from) he gradually runs up the price, then one fine morning, he buys up all the hogs at the stock yards and at advanced prices, and perhaps opens wheat high for an additional scare, and the frightened shorts rush to cover, of course at a loss, and when he has run in most of them, he will ease the market. Following this, he will whiffle the market back and forth, until he gets in a parcel of longs, and gives them a run for their money, pursuing the opposite course as to the rise and fall of daily prices.

Here is another. Suppose that by sending out a raft of enterprising "dope", he has influenced a lot of people to "go long" on pork, or he may be long and they have "caught on" that he is long. How will he shake them out and into his hands? Very easy. He will stay away from the hog market, and there being no call for piggy, down goes his price. There may be circulated a rumor that there is no "foreign demand", or France or Germany are going to place an embargo, or there are tremendous "stocks on hand."

The hog price is held down so purchasers will sell their product to Dragon. You see the trick is, when you wish to buy pork, stay away from the hog market; and if you wish to sell, carry the price of hogs to a top notch.

There are so many statements and actions of this nature that can be wired in all directions. Then he will force wheat down on "curb", so as to have some influence from that quarter; and as a last crack at opening, his henchmen will sell a lot of short wind pork, so as to start the ball "a rolling"; and away she tumbles, one or two dollars. At this state of the game he buys back the short wind he has sold and takes all that is offered, and quickly rushes the price up if not out of sight, well beyond the price that any one desires to pay. Or, he may take all the pork offered at opening, perhaps thousands of barrels, if the longs have a fit or a fright, and throw over; and then let the market remain steady for a time. There are so many elements of varied nature that a manipulator can trump up. Unless you are a mind reader, you are at sea. Apparitions, which he throws upon the

screen, get you nearly every time. Is there any protection against such a thief? Certainly there is. Keep away from him. Whether it is easy or not for you to keep away, depends upon your reasoning powers and force of character.

The general run of traders do not seem to realize that Dragon can be long and short of the market at the same time. For example, he was short of December Wheat all the way down and at the decline was buying at the same time through other brokers. At the opening of December month he ordered his shorts settled up and increased his long side, and "up she rises" for 20 or more cents. Then he sold short blocks of "wind" to prevent the market from going much higher, and at the proper (?) time he will order these settled or perhaps let them run until the end of the month, when all deals for that month must be settled. What becomes of his long options? Well, the "big shorts" will be delighted to come around and have a heart-to-heart talk and private settlement with him; that is, if they agree to "pay the price" and have a good bank balance to assist them.

THREE SCHEDULE OF TRICKS

Here is a Schedule of Tricks, played for two weeks, during a quiet market, giving the general trend for each day, an irregular checkerboard. Here is where the general trader gets mixed up and completely loses the trend (wide sweeps of values) of all the markets; and that is just what Dragon is after.

Day—	Wheat	Corn	Hogs	Pork
Monday	Up	Up	Up	Down
Tuesday	Up	Up	Steady	Up
Wednesday	Down	Steady	Down	Down
Thursday	Up	Up	Down	Down
Friday	Down	Up	Steady	Down
Saturday	Down	Up	Steady	Steady

SECOND WEEK

Monday	Down	Down	Down	Up
Tuesday	Down	Up	Down	Down
Wednesday	Up	Up	Down	Down
Thursday	Steady	Down	Up	Steady
Friday	Up	Up	Up	Up
Saturday	Up	Up	Up	Steady
Etc.				

Sometimes Dragon will allow the market to go as it naturally will; and all of a sudden, will quickly snap the traders like a whip.

The market will be worked, or allowed to go untrammelled, in accordance with his idea of deceiving the public and incident collection of graft.

The following chart, shows the workings during a stirring time in wheat for a week during the "war corner" of 1915. Wheat went to \$1.67 and Pork to \$20.02:

Day—	Wheat	Hogs	Pork	
Monday	Up	Down	Up	
Tuesday	Up	Up	Up	
Wednesday	Down	Up	Down	
Thursday	Up	Up	Up	
Friday	Up	Down	Down	Wheat \$1.67
Saturday	Down	Down	Down	Pork \$20.08

From this, wheat was smashed by Dragon to $89\frac{1}{2}$ cents; pork to \$13.02, and millions were extracted from thousands of the duped.

The following is for the week when he finished pulling down pork for \$7 a barrel, from \$20.02 to \$13.02:

Day—	Wheat	Corn	Hogs	Pork
Monday	Down	Down	Down	Down
Tuesday	Up	Up	Up	Up
Wednesday	Down	Down	Steady	Down (\$13.02)
Thursday	Down	Down	Down	Up
Friday	Up	Up	Up	Up
Saturday	Up	Down	Up	Down

Now Mr. "Easy Mark", can you get the best of these speculative labyrinths? If you can, you can "pick a winner" in most any bunco game.

I will not further pursue this roulette phase of the gamble (?). You can carry this on as long as you please. The pickerel have been caught, the bipeds milked and the lambs shorn, and the play is over for the week. Piggy has been slaughtered and sold for an hundred times, "all of him but his squeal", and that is still echoing "O'er the lea." To-morrow comes "dull Sunday", for the unhappy stripped, or yet dangling, victims of cruel Dragon and his Juggernaut; and "the mourners go about the streets."

We will, however, follow these with one concrete example.

Here is what Dragon accomplished on Monday and Tuesday, December 6 and 7, 1915:

He had been quietly laying in a stock of long January Option pork, and saw a good chance to get packers and speculators to sell against him.

Monday, the 6th, he worked it so that 80,000 hogs were shipped in to Chicago and thousands in to other places. Down went the price of porkers. Did he let pork down? Not but a fraction of a dollar, and bought all that was offered. He easily pulled wheat up to \$1.20. Now the trap is set, and we will see what happened on Tuesday. Forty-five thousand more hogs for Chicago. Piggy thought still less of himself on Tuesday than he did on Monday, although he was just as fat and full of squeal.

Dragon smashes wheat four cents. With this deluge of depressing facts thrown in their eyes—packer, pork speculator and hedge seller rushed to sell what they had and what they hadn't, and Dragon buys all that is offered (either kind, wind or real, don't matter to him, in pork and lard) and at the same time rushes the price up a dollar, so that only those that are forced to buy to save themselves will trail after him. The shorts who were trudging after were obliged to pay from one to three dollars a barrel more for wind which they had originally sold at a much lower price; which is, of course, a loss to them and a gain to the master manipulator. And there you are.

You would play the same game yourself, wouldn't you? That is, if you were a gambler and were running the deal, and had all the trump cards in your own hands. How easy. Dragon is simply repeating history. Dragon Senior played this same old game 30 and 40 years ago. Some confidence game, eh? Works just as well now as it did then. Of course it will, you dupes. "Oh Lord, how long?"

My dear pork speculator. If you had in stock thousands of barrels of mess pork, and probably several thousands of the wind kind, and you saw 60,000 to 80,000 "root hog or dies" sweeping into the stock yards, squealing "to beat the band," and wheat marking the toboggan, you would sell out P. D. Q. or wire an S. O. S., wouldn't you? Remember Dragon would be disappointed if you didn't; and, of course, you wouldn't disappoint him for the world. No, of course, you wouldn't. I'll bet you wouldn't, because your wobbly and agitated cerebellum would never allow you to be so wise. You poor fishes, how I pity you.

The following is the paper dope as to causes, etc., that was published the morning of the 8th. "WHEAT RELAPSING FROM HIGH POINT. First Break in Upward Tendency Caused by Milling Estimates. MARKET GROWS GROGGY. Prices Weak and Strong in Turn and Supply Only Bull Factor. No head lines for pork and lard, which was the *main issue* in the pits for that day. In the

fine print we read: "Provisions were sharply affected by reports that Germany (deceived Germany, now the butt of nearly every one) was buying lard and pork. Big receipts of hogs were ignored (?) and the market ascended to about the highest prices yet this season."

And the fat is smeared over our (?) eyes. You see what a farce it is to one who knows the game.

What was said on Saturday following: "Pork higher, traders paid no attention to the fact that hog receipts for the same period were the largest on record." Dragon knew that big receipts would be the order of the day, and that it would be a good time in December to buy January Option and force them upon the shorts.

What happened to wheat at the end of December? The last day the price of December Option went to \$1.27½, and the belated shorts (whom the daily papers wrongly dubbed "belated longs") settled, after which the price dipped that same day to about \$1.20½ at the close of the Board. Pork meanwhile was steady and on Monday, with the heavy receipts of 80,000 hogs, the public sold, expecting a decline, but Dragon said: "Not so, I will raise it up on them"; and he did. They rushed to cover and he sold to them. Now having plenty of "longs in the market," on Tuesday he let prices off. This is called "milking the market."

Can not one gain anything? You might secure a "scalp" once in a while, but being prone to "let your losses run," you would soon be "wiped out." "Let him that thinketh he standeth, take heed lest he fall."

Old Dragon Senior was a rough old cur. It used to be the game to rush the market up or down, until several failures occurred; then a cessation would be ordered, so that firms could adjust their accounts and settle partially or fully. Following this, the campaign for boodle would begin again. The deals are now carried on more smoothly, and the money taken from the people with less incidents of failures.

These excerpts, from thousands, are enough to show one phase of the workings of the hypnot factory, known as the Board of Trade. Hypnots, do you recognize these cellular effusions from the prolific gray matter of our versatile Dragon? I do not seem to hear a "Hip, hip, hoorah" from you.

Now while senior manipulator was pilfering millions upon the one hand, was he using any of these to better the condition of those who slaved for him for pittances? It seems not. Hear what Prof. Kennedy

of the Chicago University, formerly of Cornell, a practical sociologist, says of him: "The low wages, granted by this manipulator, carry in their train insanitary housing conditions, child labor and high mortality rate. Of the deaths in the stock yards district, he said 30 per cent were due to tuberculosis. The expenses of the average unskilled worker's family, he asserted, were shown by investigation to run \$200 a year beyond absolute requirements. Thus children and wives were sent out to make up the deficit, or boarders taken in to further befoul the air of already crowded cottages." Mr. Kennedy declared, "The committee refused to publish these facts." In this Mr. Kennedy "*thought they erred.*" [How mild!]

Look upon this and then upon the delightful "Pullman Tenements," a little way out of Chicago. In Pullman we had a man and not a boodling buccaneer. I understand that, forced by public opinion, this boodler's son has improved conditions. Here is an immense fortune built up from piratical robberies: and should it not go back to the people?

Did the Chicago Board of Trade subscribe to the elevating ideas put forth for the betterment of mankind by the Christian Endeavorers at their last meeting at Chicago? Not so. They even tore down the decorations which had been erected in their honor.

We do not need the gambling section of this institution, nor the branch offices in our midst. Most of the work is gambling, impure and complex. I'll warrant that the option or marginal trading, as far as Chicago is concerned, in many branch offices is 100 per cent to no per cent of passing the commodity. And as far as their relation to Chicago is concerned, they are Branch Bucket Shops, for I hold that the Chicago Board of Trade is now run by one person. And if it was not, the members accomplish collectively, what the bucket shop does singly.

Leave aside all arguments as to this phase; the point we as citizens of the United States wish to know, is this: Are we treated fairly and squarely in this so-called "business"?

Considering the fact that we secure no profit, and considering the fact that we are robbed of 85 per cent of the funds sent on to Chicago as backing for our misguided opinions, you will agree that it is a *mighty poor business proposition*. And further, I ask you fairly and squarely, if there can be a *worse one* foisted upon us? Should we not banish it from our midst at the earliest opportunity? A suitable bill should be prepared for Congress to consider at an early date.

We are making a hue and cry of promiscuous gambling in our midst, and hauling scores of victims up to the docket. Are these respectable "sub-hoppers" of Dragon's throughout the States disturbed in their genteel occupation of seducing our hypnots? Not on your tintype.

We should not allow Marginal Trading in our country. We are simply sending money to Chicago to be grabbed by Dragon, and to feed these roistering renegades.

Before closing this chapter, I am going to refer to the migrations of a star in another constellation of this wind and water firmament, which should have been noted in Chapter VII.

Many of my readers will remember the artful Cassie Chadwick, who, among other trump cards, played Andrew Carnegie as her trustee, godfather and even father; "the most colossal female swindler in the annals of crime in the U. S." A criminal with excess of aliases and deceptions, from Bigley to Mme. DeVere and other French names, through Layliss, Hoover and a host of other names, until she settled upon Chadwick, poor fellow; playing the hypnotic role with comet brilliancy. It took a Boston Yankee to ferret her out.

She had a penchant for diamonds, pearls and grand pianofortes; buying eight of the latter on one order. Her chiefest joy was in deceiving the heavy weights of the financial arena, especially bank presidents [aping Dragon Senior] and she succeeded admirably. So much for Cassie. Peace to her ashes, now inclosed in a portion of the Canadian home plot, seven by three.

Mr. Carnegie, with a merry twinkle, said that "Mrs. Chadwick had demonstrated one thing. His own credit must be good, when his name signed to a paper, even by somebody else, could conjure a million and a half out of bank vaults."

Now the bipeds I am exposing, are, and have been for forty years, engaging in this arena both heavy and light weights; working the same sort of slick game; with this difference. He and his dad have done their work a little smoother and *saved* the boodle to back their swindles; while Cassie *spent* her capital injudiciously, and incidentally came to grief in prison, where our Government should incarcerate the present Dragon.

ONE OF DRAGON'S SUB HOPPERS

Thou Hast aided Dragon in the Financial Slaughter of Hundreds of Thousands



SEATTLE HYPNOT BOARDS



HOW THE STATE OF WASHINGTON HAS SUFFERED AT THY HANDS

"Beloved, believe not every spirit, but try the spirits whether they are of God; because many false prophets are gone out into the world."—
1st John 4: 1.

"The law of the Lord is perfect, converting the soul; the testimony of the Lord is sure, making the wise simple."—Ps. 19: 7.

CHAPTER NINE

REMEDIES PROPOSED BY THE AUTHOR

Some have asked what should be done? There are ways to get at the Dragon; some being very costly. One way would be, the educational system, as adopted for the stamping out of the saloon. Lecturers sent throughout our land would be helpful, showing how impossible it is to make money at this game.

My readers, when you legislate an act that no person shall sell for future delivery what he does not own, nor has any immediate prospect of owning, and make it a felony if, under these conditions, one does sell short; the Spider Webs, so craftily woven at Chicago and New York, will be blown to the far corners of the Earth.

How foolish it is to waste time and money in order to add millions to one person's pockets already bulging with filched lucre. He does not need it; and we *do* need this money in our homes to bring cheer, joy, progress in every line.

To secure proper evidence would require traders upon the Board, secret service men, and would cost many hundred thousands perhaps: but think of the millions saved to our people. I know how it can be done, but I doubt if the Government will assist.

Every million dollars placed in this man's pocket, means so much more hardship and slaving by our working people; so much less for our family running expenses.

Most any speculator, trader or broker, if he will be honest with you, will say that I am right in warning you against this Juggernaut and Dragon.

My dear fellows, you of Boston, St. Louis, Galveston, San Francisco, Seattle, or any other city of the United States, or of the world,

why do you send good money to Chicago? Can't you lose money enough at home, where it might at least do your city some good? Why give it to a Juggernaut and receive nothing in return? "What's the idea"?

Year after year have I witnessed these depredations, powerless to warn the people. As a last resort, I appealed twice to the President, early in 1915. I wrote two letters to President Wilson, which I will not take time to read to you at this point, giving him in a condensed form my views, and showing how this manipulator could be reached. His secretary wrote that he would present the matter at the earliest opportunity to the President. I now doubt that he ever received the letters. If he did, I suppose he preferred to send his secret service men out after more counterfeiters (which, of course, must be done) who were making a few bogus dollars, rather than send some one to get evidence about this multi-millionaire robber who thinks it good picking to "rake in" from ten to twenty-five millions per year out of gambling in wheat, corn, oats, pork, lard and ribs.

If with \$5,000 on paper, and wig-wagging the market in a little over one year, I could show a credit of about one million and a half by following Dragon; what can Dragon do, backed by \$500,000,000, milking the market just as he pleases and no combination strong enough to prevent him? Even our Government is a weak and impotent equation.

I presume that this master robber will continue his piracy for some years yet. It is a long road that has no turning. I also wrote to a leader in Progressive Economics Society, which met at the Panama Fair, but received no reply. I wrote again. He answered that he had nothing to communicate. He added that he "Hoped that I was waging a sane and constructive campaign for better social justice." How lovely!

Dragon is so well intrenched that no one desires to tackle him. Of course, the quickest way to stop his piling up ill-gotten gains, is for the public to quit trading in options. That is the prime object of this book. Success attained, then would the fangs of this Dragon be drawn. You know how difficult it is for some men and women to stop betting on horse races, poker and bridge whist, after acquiring the habit, and for men to quit entering the saloon and other questionable places. It will be more difficult to stop gambling in the prices of our food products, as it seems to be quite the proper caper for his lordship, unless the Government steps in and roots it out. If this money was distributed equably among our

people, it would be less damnable, but it is not. The most of it goes into the hands of one man, and millions of it carted off to Europe. Thus is the prospect of the old game of master and slave being brought us: a game we are trying to abolish.

On this late rise in wheat, from $88\frac{3}{4}$ cents to \$1.67, although he lost at the beginning, he has made many millions beyond his losses. He will probably clean up from fifteen to twenty millions at the close of the May, July, September and December deals; and from forty to fifty before the close of the European war.

How about the income tax and other taxes he has kept from the Government? I wonder where the inheritance tax alighted?

In the letter to the President I spoke of the May Wheat Deal, and it was carried out as I prophesied; also the July, September and December Options. When July and September came, and farmers had their wheat ready for the market, the price was from 30 to 40 cents lower.

Judging from my past experience, I have these deals mapped out for the next six or eight months, and believe that I know the trend of the market, as it will be forced by this fellow.

Why after all these years, have they not ferreted out this fellow's game? Because of the ever-changing herds of innocent lambs. The brokers will not expose him. His continuance means their material support.

Thousands of our young men do not know that it is gambling, because it is carried on under the cloak of "Business."

Boys who have been left considerable property are drawn in. They are the easiest gulls to manipulate.

What does the Dragon care for the farmer whom he induces, by crafty bulletins circulated throughout the States, with other subtle manipulations, to sell his wheat, corn, oats and hogs at the wrong times, and at poor prices. He is in it for the boodle, and as long as the Government allows him and his associates to rob the people, he will continue. The habit has become chronic for many, many years. As to the economic side of this speculative drama, it certainly is dark and full of devastating terror for the lambs who are yet to be shorn.

The citizen who enters these portals is sheared singly, and that not being enough to satisfy his kingship, all of us are sheared collectively.

Why pay a double tribute to him from whom we receive nothing in

return. Our bleatings should ascend straight to the halls of our "great and glorious Government."

Why did the Anti-Option Bills of Butterworth, Hatch and Washburn fail in the Fifty-first, Fifty-second and Fifty-third Congresses? The leading bankers, merchants and manufacturers opposed them, which more than offset the popular support.

It seems strange that a government that we believe is the nearest perfect of any, should license such a stupendous evil, cloaked under the title of business. The older I grew, the more I desired to uncover this evil and to protect our people, if they will allow me to protect them, and to urge the repeal of such an abominable license.

The outcome of this form of gambling, where one gains and the other necessarily loses, although garbed under the deceitful cloak of business, is a curse to both parties thereto, and a curse to our country.

Is it not deplorable for one to be allowed to deceive and rob us? As Bryan says: "So popular has it become for a few to act for a large number that we see some men collecting enormous sums from them. How much can a man rightfully collect from society"? He certainly is not entitled to collect from us hundreds of millions, giving wind in return.

A few citizens should not be allowed to harm society. Neither should one person be allowed to destroy thousands of homes for his own selfish interests and additions to his fortunes. It is asked: "Why will they play with him"? I also ask: Why will people drink and patronize the saloon, when 2,000 a day are murdered in this way? It is the appetite (inherited and natural) for drink. It is the appetite for gambling. A disease, you may call it. Take away the means of gratifying those appetites (change the thought) and the appetite gradually disappears.

Take the Liquor Traffic. Capital, \$1,000,000,000. A business of \$2,500,000,000. Two thousand bodies a day are destroyed by drink, drawn from 5,000,000 drunkards, recruited from 20,000,000 moderate drinkers. And these, think of it, recruited from our boys. Eight billion dollars loss of efficiency. No wonder we want to get rid of the saloon. If we could eliminate the Saloon, Dope, White Slavery, and Food Product Gambling, what a happy country ours would be.

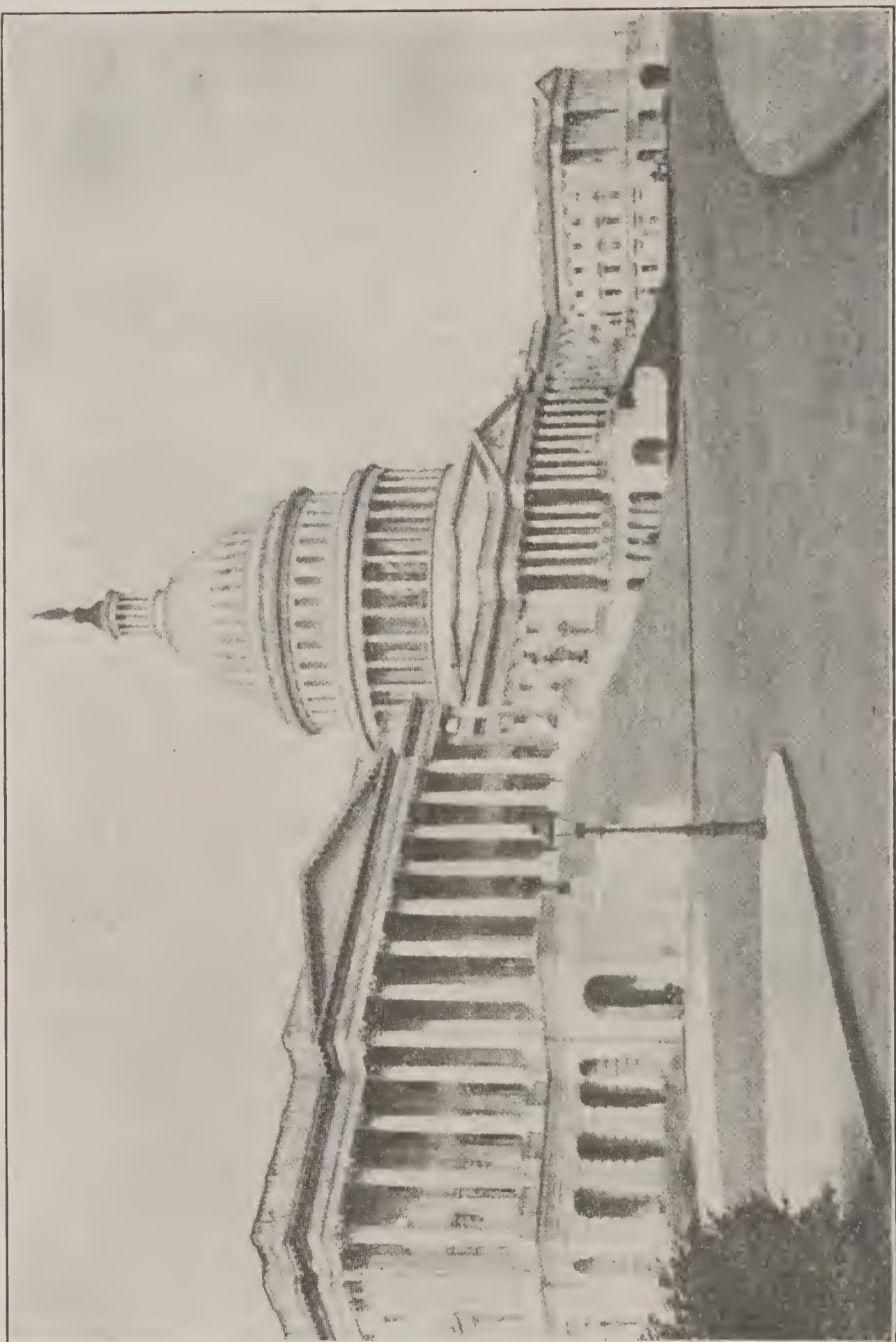
And when our people are as well informed upon Speculative Gambling, it will be a wonder if they don't demand a repeal of this evil.

Yesterday, Dragon smashed the market 9c and to-day 14c more, why? Either to shake out the "tailers" which the bunk talk of "embargo," then "submarine," etc., gave him an excuse to carry out before our people; or, he was afraid that the boycott might lead to a rigid investigation of him and his servant, the Chicago Board of Trade. Four sets of margins were swept into his hoppers and several hundred thousands the "cleanup." He had been gradually preparing for this for seevral days. Watch him for the next eight months as he will shake many millions out of our hypnot.

Here is a gross error that is carried on with malice and forethought, especially designed to swindle first the producer and then the consumer; and these swindles are deliberately and supinely licensd by our own Government.

When our Senators and Representatives can sit in the cushioned chairs of the halls of Congress, as god-fathers of these enormous swindles, without batting an eye, there must be something "rotten in Denmark."

WHERE WE SHOULD EXPECT RELIEF



UNITED STATES CAPITOL AT WASHINGTON, D. C.

A FEW VICTIMS (CELEBRATED AND OTHERWISE) OF RABID SPECULATION



EPITAPH

Busted and Blighted
Yet
Reminiscent.

His Last Wheat Deal "Blown Out".
His Last Good Dollar Gone;
So Wends Our Dragon Hypnot Boob,
A SADDER WISER (?) ONE.

Dreaming of
Greatness of Past
Years in Pit'yful
Environment

"Every law of God has behind it infinite power to enforce it, while the so-called law of sin, and death has no foundation, has nothing back of it that it can depend upon."—Adam H. Dickey.

CHAPTER TEN

LEGAL CITATIONS AND CONCLUSIONS

Having been fortunate enough to have found in court records a fearful expose of the methods and systems of the Chicago Board of Trade, we here present very limited portions of what Attorney Charles D. Fullen (formerly United States Attorney in Iowa), has to say in his admirable and extensive "Brief and Argument" No. 1032 before U. S. Court of Appeals, Seventh Circuit, and U. S. Supreme Court in 1904. You doubting Thomases, read this carefully, and later read the entire volume. After the various moral (?) crusades, quotations were thrown wide open to the public. He says:

"It cannot help but be known that unless its quotations are distributed broadcast, there will be such little excitement and interest, that the gambling mania of our people will not be aroused and there will be a consequent diminution in the volume of business which would come to the members of the Board of Trade. Bucket Shop and outside dealers were not thought of . . . greed and immorality reigns supreme upon the Chicago Board of Trade,—greed, because its quotations were distributed so that the unsuspecting speculator might receive them,—immorality, because the despised and immoral bucket shop was not disbarred from receiving them. . . . These quotations permeated the entire moral atmosphere of the country, and the poison was absorbed by our inhabitants as easily and as readily as they breathed the atmosphere which surrounded them."

"This condition continued for eight years, until the Board of Trade tried to knock out the bucket shops in 1900, although every one else could have these quotations . . . 5th. That the effect of the pretended transactions had the members of the Board of Trade with each other, results in the impossibility of ninety or ninety-five per cent. of said transactions culminating in deliveries, and do result in a settlement upon differences of said ninety to ninety-five per cent. of said transactions, thus making the quotations of said transactions such that the same are not recognized by law as valid contracts."

In laying bare the trading machinery, he says:

"6th. . . . If scalpers who never receive nor deliver any commodity but always settle upon differences,—of members who are squeezed by corners of a manipulated market which creates no less number of quotations. . . . so great was the halo around the Chicago Board of Trade that it seems no one was courageous enough to say that the Board of Trade was in itself a huge gambling concern.

Possibly at that time the eyes of the public had not been opened to the enormity of the gambling machine which it had created and was supporting, and it was only as the years passed by and the increase in the number of embezzlers and suicides, awakened public sentiment to such an extent, that the methods of the Chicago Board of Trade could with any degree of safety be exposed in the courts."

"So general is the information that it would appear that it is almost a matter of which the court will take judicial notice that the Chicago Board of Trade is a veritable den of iniquity, so far as it panders to and advances the gambling mania of the people." . . ."Distance does not always lend enchantment to the view for sometimes it is possible for those who are not under the shadow of the dome of the Board of Trade to 'see its real effect upon mankind and the country generally, than those who are so close that their eyes are dazzled by the liberality and good fellowship which at close range enhance and secrete the actual results of its operations and manipulations.'

. . ."This Board's claim consists in saying that although thousands of non-members may walk up to the walls surrounding its den, and place their wagers in the shape of margins in the tills of the Board of Trade members, yet that wall, through its rules, is so impervious to the possibility of gambling intentions percolating through, that the transactions,—the result of that which comes from the non-members,—become, when made by the members among themselves, as pure as the driven snow. That is the theory of the Board of Trade.

"The dividing line between the members and non-members is so perfect that no taint or tincture of gambling can possibly reach its pits, because its members deal among themselves according to the rules of the Chicago Board of Trade. And these rules are such that the members of the Board of Trade can ring out their even trades, and hold the margins of their unsuspecting customers without any liability then existing between the members upon the contracts of the customers which they have made in the pits.

" . . . Sidney date. Witness recited: "On January 11, 1902, customers had deposits with our firm (Lamson Brothers) \$258,962 on purchases, and on sales \$195,687, making \$454,649 of money in their hands as margins on trades, which, as between Lamson Brothers and other members of the Board, had been settled either by the direct or ring method of settlement. On January 13, L. B. had \$354,092 of margins deposited by their customers on purchases, and \$250,155 on sales of their customers, making \$604,247 of their customers' funds which they had as margins on trades which

had been settled on that date as between L. B. and other members, by either direct or ring method."

" . . . After testimony of Mr. Cornelius, Mr. Fullen adds: 'From what can be discovered from the anxiety of these members dealing among themselves to settle their trades, it is not a very great stretch of the imagination to conclude that when these settlement clerks gather in the settlement room, the noise incident thereto does not differ greatly from the pandimonium which rages in the pits during trading hours. These members, although trading, as counsel for the Board of Trade would have you believe, with intent and purpose of delivery, seem very anxious to ring out and settle their trades, and as many as possible, for the very purpose of avoiding delivery. . . . "Mr. Finley Barrell, also a cash grain man, so-called, testifies, that there can be no delivery when trades are settled." . . . "Other testimony could be pointed out in the record showing that delivery does not result from the transactions in the pits." . . . "Therefore, it can not be said that the trading among the members are actually or *bona fide* purchases or sales." . . . "The speculator, when he buys or sells in May, a commodity for December delivery, does not expect to let that contract alone until December, but *he expects to close out that contract at any time intervening between the date he made the pretended purchase or sale, and the time fixed for delivery.* Can any person say that such transactions in the pits embrace an absolute intention upon the part of the contractors to deliver or to receive the commodity when the month in which delivery can be enforced arrives?"

" . . . This illustrates the fact which we want to present to the court, that there is no limit which can be placed upon the trading in the pits of the Board of Trade, that it is all wind trading and the volume of the trading is not dependent upon any condition of the financial market or upon the quantity of the produce in the country. The system of the Chicago Board of Trade allows the members to stand in the pits and buy and sell back and forth indiscriminately at any and all prices, knowing that when the market closes for that day, if the volume of trading has been very great, that they will be enabled that afternoon to settle a great proportion of the trades by the direct method, and those that are left may be settled by the ring method next morning. Do the brokers have to be careful in making trades in the pit if they know that they can create thousands of trades which can be rung out next day? No wonder that so much noise is made in the pits when the trading is only limited by the recklessness of the broker, who knows the ring settlements will soon follow."

Here are some of the usual daily tradings of a few firms, some years ago. Double and treble the amounts, for the present date. Harris Gates & Co., 6,000,000 bushels. Logan & Bryan, 4,000,000 bushels of corn. Ware & Leland, Four or Five Millions some days.

Finley Barrell, some days, 8,000,000 bushels, but average 2,000,000. The brief continues:

" . . . Taking these enormous quantities, can this court be made to believe that these parties have the present intention of making or receiving a delivery upon these contracts at the time fixed for the delivery of the commodity? No, the settlement methods step in and enable these parties to settle these contracts within twenty-four hours after making the same, by payment of differences." . . . Again, "To properly judge of the aggregate volume of business which is done by these few firms, the court can examine the estimate in exceptions of defendants to Master's report found on page 137. These six firms deal in 17,500,000 bushels per day, 450,000,000 bushels per month, and 5,520,000,000 bushels per annum. Can it be possible that they intend delivery upon these contracts"?

". . . Another fact to be considered in judging whether the members intend delivery of the commodities which they deal in the pits, is the financial ability of the members to receive and pay for the commodities which they pretend to buy and sell. How long could Ware & Leland continue to do business by trading with other brokers and pay twelve thousand dollars a month for private wires (Rec. 515), employ ten or twelve telegraph operators in their Chicago office (Rec. 515) and pay salaries of seventy or eighty employes (Rec. 552)? What could be the object of these dealers dealing among themselves if there was no foul, polluted stream coming up from the country which was purified when it came in contact with the cold pure current coming from the complainant's pits"?

Dunkley avers that "between Forty and Fifty Million Bushels of (wind) wheat are dealt in per day." The reader may continue computation, I am tired. How many decades would it take to "stand and deliver"? Why not take a big roll of paper and hire some one to chalk in figures; and next morning hang the roll in front of your customers, and as the paper is unrolled, let them guess whether the next figure will be higher or lower. That would save a lot of clerical hire, and this method would be so direct, that the "Ring Method" would not be necessary. This method was carried on in Los Angeles quite successfully, that is, until stopped by the police.

We can easily see that various brokerage firms traded from 300,000 to 6,000,000 bushels per day. Some days, 8,000,000 to 10,000,000 per day, mostly wind grain. The Clearing House makes this very easy. Some firms may have \$10,000,000 in margins in their vaults and need put up at the Clearing House only \$10,000. That is doing business upon other people's money with a vengeance. Mr.

Foster, of Edwards & Co., settled 67 wheat trades, value of about \$300,000. by payment of \$1,100.

The Board of Trade people do not like to admit that there are such bipeds as "scalpers", and yet they are there in the pits, and they, according to Dunkley, "create quotations just the same as do all other classes of traders."

Champlin stated that he "had not received any grain for several years on contracts made in the pits." Judge Anderson who tried the case in Indiana, also adds:

" they make contracts for future delivery and, immediately, with uniformity of practice almost complete, settle these contracts upon differences, and they do this continuously, day after day, month after month, and year after year."

Mr. Fullen is quite facetious when he says: "If A instructs a broker to buy him a horse and agrees to pay him a commission of five dollars, then it would appear that A intended to buy a horse, but if A makes an arrangement with a brother to pay him five dollars to buy a horse *and* to sell a horse, so that A would not be compelled to receive and feed the horse, that excludes any idea of delivery on the part of A, and indicates that A simply intended to pay the broker five dollars for placing a bet upon what might be the difference between the purchase and selling price of the horse. The charging of five dollars for the 'round turn' in advance of the transaction being initiated, stamps the transaction as purely a gambling one."

Summing up one point he says, "If this court can support the complainant's contention, then it must believe, as Mr. Warren, at that time President of the Chicago Board of Trade, does; that what is gambling in a bucket shop is legitimate on the Board of Trade." Another broker says, "It becomes speculation on the Board of Trade where it is gambling in the bucket shop." Paul stated, ". . . in the millions of bushels dealt in by Mr. Yerkes there was never but one delivery of twenty thousand bushels."

The Board of Trade "recognizes no principals, no customers." The brokers acknowledge that you come to them with a gambling intent. Read what Robbins, a regular, has to say:

"You come here with a gambling intent; you have carried it out as far as you are concerned, and you have gone off and left me. You have induced me to put myself as principal on the Board of Trade to two contracts. I have allowed myself to be used for you," etc.

Read this from Irwin vs. Williar (110 U. S. 499): "It makes no difference that a bet or wager is made to assume the form of a contract, gambling is none the less such because it is carried on in the form or guise of legitimate trade."

Again the brief states,— "This Board of Trade is permitting a

business to be conducted in its exchange hall which is in violation of the statute law of Illinois. . . . The Board of Trade is permitting to be conducted on its exchange hall a business which is at common law illegal"—and in seeking to put the bucket shops out of business,—“seeks to secure to itself by means of litigation, additional revenues and business from an illegal source.” . . . “The quotations are sent out as being the assembled and aggregated collection of prices of commodities actually dealt in upon the floor of its exchange hall; when, and in fact, they are simply a record of the illegal and gambling transactions had between its members, made up of hedging, scalping and all other kind of deals such as are made in the pits. The public is misled by these quotations, and they are put forth under false pretenses.”

I will not go into the manipulations of a dominant house, nor the work of the “Open Board of Trade”, (some 400 or 500) working upon the same plan as the bucket shops, yet allowed to go on unmolested by the Board of Trade, and quotations furnished. I am not protecting bucket shops, I simply wish to prove that the Chicago Board of Trade is an enormous bucket shop, and cite the above and following as evidence. The bucket shops are the “offspring of the Chicago Board of Trade”, and this Board calls them Illegitimate Children or Bastards. In other words, will not own their own “young bloods.”

Also, my reader, I would like to ask you where you would get off, in case of court action by you to have embezzled margins returned to you? Read:

“The Argument before Judge Anderson, of the Circuit Court, was taken down in shorthand, and counsel now beg leave to make as a part of this argument the colloquy which took place between the court and Mr. Robbins, as the same illustrates emphatically and clearly the propositions now presented to this court.

“The Court: If I send a broker onto the Board of Trade to sell for me, he acts as my agent, don’t he?

“Mr. Robbins: Yes, as between you and him, undoubtedly.

“The Court: Well, what rule can possibly change his connection?

“Mr. Robbins: Well, the trade upon the Board is governed by those rules.

“The Court: I know, but those rules cannot change the actual relations between me and that man.

“Mr. Robbins: They determine the relations between the two members.

“The Court: If a broker acts for me in selling and another broker acts for somebody else in buying, what difference does it make what is in the minds of those brokers? Isn’t that transaction to be determined by what is in my mind and the purchaser’s mind?

"Mr. Robbins: I think not, for this reason: the transactions under the rules of the Board of Trade are transactions to which you are unknown, *you are a stranger*.

"The Court: Well, it is either their transaction or it is mine, one or the other.

"Mr. Robinson: It is their transaction, although they have allowed themselves to be used, and their power, for you to speculate [gamble] with. *You could not go into court and enforce that contract.*

"The Court: I could not?

"Mr. Robbins: I think not.

"The Court: If I employ a broker to sell, and he sells to a broker, and the other man has accepted employment from another man to buy, would that make a contract between me and the other man, if the transaction is illegal?

"Mr. Robbins: Under the rules of the Board of Trade all the courts have held that the rules become part of the transaction. And the two principals, as respects the Board of Trade—

"The Court: Well, is there any contract?

"Mr. Robbins: What?

"The Court: Is there any contract?

"Mr. Robbins: Between the two members?

"The Court: Yes.

"Mr. Robbins: Why, certainly.

"The Court: Is there any contract between the two principals?

"Mr. Robbins: The contracts are between the two members of the Board of Trade. They recognize no principals, no customers."

Now, reader, "if they recognize no principals, no customers," where are the hypnots, in these transactions, anyway? It would take a mountain of explanation to convince some of us. This certainly is rich. So is the continuation of this same colloquy.

In previous pages you have noted the enormous expenses besides the personal robbings of Dragon; who pays for this? The human fishes, commonly dubbed, "suckers." If they did not "pay the piper", how could this mammoth American Monte Carlo survive? Dragon wouldn't put up. No, no, you may be sure that he wouldn't. He expects you to pay these expenses besides paying tribute to him. Who pays the salaries of 300 or more brokers in the pit and 150 telegraph operators on the floor? The above named fishes. No one else will. What do you "poor fishes" receive for furnishing this "service expense"? Wind and Ruin. Is that a good business proposition? Bartlett, Frazier & Co. had 4,000 miles of private wires. Who pays for the thousands of clerks in the various commission houses? See above.

R. M. Des Jardins says: "If we gave publicly the names of our customers we would lose their business." This business is of such questionable character that no respectable business man wants to be known as an habitue of the broker's office, and much less be seen in a bucket shop.

To prove that it is not one set of men that gamble upon the Board, but the disease infests all classes of society, I give what a member of the firm of Lamson Bros. & Co. disclosed.

"Our customers are scattered over the country and are engaged in various business, lawyers, doctors, general stores, postmasters, and so on."

I will close these legal citations with the following from the opinion of Judge Mulky, in Cothran vs. Ellis, 125 Ill. 496:

". . . . But leaving both sections of the status cited entirely out of view, we are clearly of the opinion that dealing in futures or options, as they are commonly called, to be settled according to the fluctuations of the market, is void by the common law; for, among other reasons, it is contrary to public policy. It is not only contrary to public policy, but it is a crime—*a crime against the state, a crime against the general welfare and happiness of the people, a crime against religion and morality, and a crime against all legitimate trade and business*. This species of gambling has become emphatically and preeminently the national sin. In its proportions and extent, it is immeasurable. In its pernicious and ruinous consequences, it is simply appalling. Clothed with respectability and intrenched behind wealth and power, it submits to no restraint, and defies alike the laws of God and man. With despotic power, it levies tribute upon all trades and professions. Its votaries and patrons are recruited from every class of society. Through its instrumentality, the laws of supply and demand have been reversed, and the market is ruled by the amount of money its manipulators can bring to bear upon it. These considerations imperatively demand at the hands of the courts a faithful and rigid enforcement of the laws which have been ordained for the suppression of this gigantic and blighting curse."

What better verification could I have for the statements I have made in former chapters? This is the kind of business and the institution that Dragon presides over.

Allow me to quote a few paragraphs from the opinion of Judge Grosscup, in Beard vs. Milmine, 88 Fed. 868. On page 871 Judge Grosscup says:

"Transactions in futures, of a purely speculative character, where nothing is put up except for margins, are in many essential results different from ordinary transactions. There is, in these transactions, no

investment of money in anything tangible—in any property of supposedly equivalent value—that remains when the deal is ended. If a trader in ordinary pursuits meets misfortune, or becomes involved, something usually remains of his investment. Unless his fortune be entirely swept away, or he be dishonest, there is an estate.

"But the speculator, investing his money in margins invests, practically, in nothing but a turn of the market. If he meets misfortune, nothing remains. It is essentially putting his money into a turn of chance. The effect, upon the man, of transactions so radical in their money outcome has come to be notable. Transactions of this kind are, indeed, separated very narrowly, if at all, from gambling, pure and simple.

"Both feed upon the same human propensity, and both lead to the same result. Each is an attempt, by the exercise of wit, *to get what another is expected, by the want of wit, to lose.* Both lead up to false notions of wealth accumulation. Both bring on the loss of mental equipoise. Each filled its participant with a dangerous character of excitement—often a radical and desperate aggressiveness.

"No one knows these things better than the brokers themselves. They see, now and then, striking instances of moral and business degeneration under the stimulus of this excitement. They see, now and then, instances of men, pressed for margins, losing all sense of what is their own and what is another's.

They witness, as well as the public, that almost unaccountable submergence of judgment and sense, under the effect of which trust funds are misappropriated, and bank funds embezzled by those who have, at the time, no thought of not eventually making good the loss.

They, as well as the public, know how quickly crime, thus secretly begun under the radience of hope, soon expands into the daring of despair. They have seen, in nearly every community, men press eagerly towards these rainbows of fortune, only to fall quickly into disgrace and prison.

These impressive lessons, are a part of the history of every considerable community. Instinctively we shudder for him who loves speculation, and can find the means for feeding that love, in access to moneys of another."

CONCLUSIONS

In giving my conclusions, I feel that I must include as a preliminary, the last paragraph of Abraham Lincoln's second inaugural address:

"With malice toward none, with charity for all, with firmness in the right as God gives us to see the right, let us finish the work we are in, to bind up the nation's wounds, to care for him who shall have borne the battle, and for his widow and his orphans, to do all

which may achieve and cherish a just and lasting peace among ourselves and with all nations."

Our citizens are very patient and long suffering; but it does seem very hard and cruel—knowing how severely millions of our people are struggling to get bread enough to live upon—Millions of Fathers of families, bending under burdens grievous to bear (not only for those bare necessities, which Lawson says, "the white slaves of Europe are ground down to believe are their only requirements, but those which the free and enlightened American believes, and has taught his family to believe, should be his necessities"), and millions of our mothers, wives, sisters and daughters, bending over their toils; in the home, in the store and sweat shops; in order that the home, the bulwark of the nation, be preserved inviolate, and that our Government should license and allow this fellow to go on adding fortune to fortune; literally by robbing the citizens of the United States, and the world.

As a financial genius says, "Such stupendous sums looted from the coffers of the many and piled in the vaults of (one) unbalances the whole economic structure of the nation." And again, "Each additional million becomes a new weapon of oppression."

Either our Presidents do not realize these conditions or are afraid to grapple with them. How can we justify this? We cannot. The sooner our Congressmen get to work upon this cancer, the better for our people.

To these supine embryonic statesmen, which statement does not apply to all, I will quote Disreali: "The care of the public is the first duty of a statesman." What did one of the Vanderbilts utter? "The public be damned." What does Dragon say, if he ever thinks of the public? His actions strongly favor of "damn, ruin and utterly destroy", by poverty with its incident disease and death of the human form. Governor Clark, of Iowa, spoke these significant words: "The health and happiness of the public are paramount to every issue."

Hutchinson, himself, acknowledged that his corner of 1888, raised the price of loaves of bread and diminished the size.

Food products, so necessary for the nourishment and continuance of human life, should not be juggled with by scoundrels. Such an action, causing not only physical but mental suffering and moral degeneration, is despicable; and the promoters should be placed where they can do no more harm.

Witness how the market for one grain has maneuvered for some two and one-half years. Wheat $88\frac{3}{4}$ to \$1.35, then to 94 cents, to

\$1.58 to \$1.08, to \$1.22, to \$1.01, to \$1.47, to \$1.35, to \$1.94 $\frac{1}{2}$, and so on. There is no necessity for these enormous sweeps of values. There was about as much natural cause for high prices, when the market was at 94 cents, \$1.01, and 1.08, and ditto, for low prices when the market was at \$1.67, \$1.38 and \$1.94 $\frac{1}{2}$. We have had "Scarcity dope" sent broadcast throughout the world. Note what the dope will be, after the December option is settled, and you see May or July options tobogganing (perhaps before that date); and a spread between December and May. It is base manipulation and gross robbery of enormous amounts, unsettles the world's bread and scatters ruin among thousands of families. You will find the Chief Manipulator in Chicago, Illinois, very busy pulling the wires.

Admitting that the producer, where he was able to hold his wheat, and did so, has been the gainer by this rise; the consumer, and "short seller" of May, July, September and December Options have been the losers. From now or after the December Options have been settled; the producer and those "longs" on the option market, will be seriously bitten. Parity of production and consumption will never rule as long as Dragon is allowed to create these abnormal sweepes of fictitious values.

Why do we allow this sinner to continue ravaging our people? Who is to blame, at the present time? Our own Government. How so? Because it licenses this Gambling under the deceitful title of "business".

Take the Motion Picture Trust. How quickly that was dissolved. And that, which is educating the people, while this Evil, a thousand times more gross and pernicious, is allowed to go on.

Herbert Kaufman asks, "Who's Boosting the Price of Food-stuffs"? Louis W. Hill says, "When the wheat has to be carried over the long haul to the Atlantic, a rise is the result." What "causes the result" when wheat is 80 or 90 cents or 50 or 60 cents a bushel? Where does the "long haul" come in there? The rascal who is keeping up the price of wheat, is in the heart of Chicago, and there, and nowhere else, should our U. S. Department of Justice look for the cause, and likewise, the wire-puller.

The farmer will undoubtedly wish to know what would happen to the price of wheat and corn, if the short selling license relative to gambling in food prices was revoked. I presume that as soon as an agitation was made in the halls of Congress, and there was some surety of

success, the powers at Chicago would depress the market to such a price that a howl would go up from the frightened farmer and he would appeal to Congress not to go any further in the matter; and the noose would still remain around his neck.

They will turn every stone possible to obstruct legislation upon this issue. They will engage the strongest legal talent to defend their unrighteous traffic, and by all sorts of misleading and erroneous statements, try to prove, as they often have in the past, that their so-called "business" is necessary to our body politic; and that the country can not get along without it.

The elevators should not be in the hands of this rascal. Let me take a few paragraphs from a paper published in Illinois, the state that harbors the Chicago Board of Trade. The writer says, under the head of "Lucky Farmers":

"The Australian Government is giving the farmers a square deal. It buys their wheat, ships it on public railroads, loads it into public steamers, and sells it where it will bring the top price.

"The Government pays the farmer 70 cents advance on each bushel of wheat as soon as shipped, and hands him the balance after the wheat has been sold.

"This year (1914-15) the Australian wheat grower received a total of \$1.40 per bushel for his wheat. He had no trouble with any middleman, because the government has wiped out the middleman.

"No private elevator company held up the Australian farmer, no private railroad jobbed him on freight rates, no commission men cheated him, no stock exchange gambler beat him, no private banker got a mortgage on his ranch.

"The Australian farmer has the full price of \$1.40 per bushel in his pocket, the Government is ready to help him out with seed and machinery, and guarantees to take his whole crop next year on the same conditions that it took this year's crop off his hands."

Now note the different treatment accorded our farmers:

"During the same year, the American wheat grower received from 60 to 80 cents per bushel. He had to haul his wheat to a certain elevator controlled by a certain private company. He had to pay to a private railroad all the freight that the traffic would bear. He had to wait for the commission man to send him as much money as the stock exchange scalpers said it was worth, and for as much wheat as the commision man said arrived in good condition.

"Next year is an uncertain quantity for the American wheat grower. He does not know what he will get for his wheat if the crop is good, and he may have to give a mortgage at usury interest, if the crop is bad."

Farmer, don't you become excited, for after the license is revoked, Dragon will be shorn of much of his power to rob you; and the law of *supply* and *demand* will rightfully rule prices of commodities. Be patient for a little longer, and you will be well repaid. You certainly have been patient with the rope around your neck and you can afford, a thousand times more, to be patient with the rope off your neck. You will agree that this is reasonable.

Think of the freedom you will have from sordid buccaneering. The inducement for Dragon to send out wrong reports and misleading statements, will lessen from year to year, and you will come into your rightful inheritance and receive a fair remuneration for labor expended. Don't mix up matters by sending any petition but the protest, as given in Appendix IV.; and further, as an additional protection, add to the protest a strong petition that the *Elevators be taken over by the Government*, in order to prevent Dragon from manipulating those to your disadvantage; which he certainly will do.

And provision packer, don't you become nervous, and kick up a row by trying to keep the halter around your neck. Turn right in and add your name to the protest. You well remember, how, many a time and oft, you have been tricked, and have been led to sell your product at wrong times; and when you held your product for better prices, or sold short at Chicago, so as to protect, as you thought, yourself; you have, year after year, been unmercifully fleeced. You surely do not wish this to continue indefinitely. Certainly not. Then pitch in and save yourself. "'Nuff said."

President Wilson may ejaculate "Incredible", in reference to Teutonic \$365,000,000, expended in order to buy "Neutrals." If our beloved President would take a few moments to look into this highbinding graft institute, which I am presenting, it might be of some benefit to our countrymen.

Many a time did Dragon, as Smith says, "Corner the American and Canadian wheat and Maize crops, upsetting all economics and the ordinary trade of the world in such commodities."

How long will these strenuous wind and water gamblers, with cheek and gall for surplus, be allowed to deceive and rob the public?

Now ladies and gentlemen, I trust that my writing has not been in vain. I have given as much information as I could, in the space at my disposal, relative to the cruelty of this form of speculation; and I hope that I have proven that this is a considerable factor in producing

hard times, and incidentally, the high cost of living. The losses of the rich and middle classes, tend to make them penurious, and hence, they are prone to use the thumb-screw upon their dependents and laborers in order to even up.

I hope that funds will be provided, to carry this word of truth and protection, throughout the states. If ever there was a message needed, this is one.

When a Master Manipulator, by the twist of the finger, or a single order to a henchman, can disturb the world's bread, and, without a twinge of conscience, bring disaster and ruin to a thousand families; is it not time that something was done in the line of preventive?

And last of all think of the added stringency carried in past years, of taking hundreds of millions to other shores, depriving us of the use of the money we have earned by the sweat of our brows.

The following is a specimen of what the old traders warble. One I met a short time ago: "I wouldn't read your d—d old book; but I want you to get it to the boys *before they become tainted*. There is where your book is needed." And so it is. These fellows will continue, knowing that it is a swindle, yet believing that they can "beat it."

What did "Old Hutch" say to his son: "My boy, I will give you a million dollars if you will not speculate." The boy took the million and kept away from the Board of Trade. And where is the boy to-day? President of one of Chicago's prominent banks, and President of the Art League of Chicago, and a vast owner of valuable art works, which he loans from time to time. Untermeyer warns persons against Wall Street. He, who accumulated \$6,000,000 by buying Bethlehem Steel Stock. Of course he was on the inside. Then Schwab was a fair asset.

If I can be as successful in *rooting out* Speculative Gambling, as my "Yankee Cousin", B. P. Hutchinson, was in *starting it*. I will be content.

If, with the knowledge which I now possess, I can prevent a few thousand from being victimized and experiencing the horrors which I passed through, I will have done some good for my country.

I fully realize that if I even succeeded in making a dent in this pachyderm's hide, the claws of this Dragon will be reaching for me in devious ways.

Do you for a moment suppose that these financial renegades will

give up this so-called business, where they are winning millions, without a struggle? Shall we have to wait until the Government gets after them from the correct source?

One fellow, who happened to hit upon the name of Dragon Junior, said: "Just think how his father came up from a low financial position, by courage and enterprise", as he put it.

Ah! But by what infamous methods!

As I type, I read in the morning paper that twelve Bucket Shops are caught in a raid in Ohio, and half of the managers are in jail. These fellows were carrying on the same game as that of Dragon, using the same dope, quotations and tricks.

While the combined profit of these twelve was \$3,000 a day, Dragon cleans up some days, \$10,000,000. These bucket shop keepers are placed in durance vile, while Dragon rides in his Cadillac. While they are condemned, shunned and reviled; Dragon is lauded to the skies and welcomed wherever he may roam.

Do you catch on? He is worse than they are; for he provides the gambling paraphernalia, and his pilferings are a thousand times in size. Are you going to allow this disparity to continue?

Do you suppose that this swindler, while backed by our Government, is going to give up the sure prospect of plundering our people, or other peoples, without a struggle?

Do nations make deliberate war upon other nations without prospect of plunder? Would Dragon carry on these swindles, if there was no profit in them?

If there is a more happy-go-lucky, heartless wretch, in good society, than an Option Broker, I have yet to see him. His training makes him so. If he was not thusly trained, he would break down under the continual pressure of witnessing so many men robbed right and left, broken and ruined. Many a victim leaves the broker's office in sorrow and tears, never to return, and ashamed to go to his home and family.

Hypnots, wake up from this illusion and deceit, and come to your normal senses and into your own.

While watching the buccaneers of Europe, let us not forget that we have one big one at home. Keep an eye upon him.

I say to you, that this craving something for nothing is a farce and a past issue. Giving fair return for emoluments received is the present slogan.

If, in a measure, I can be instrumental in starting a movement toward abolishing this chronic festering sore, which for over fifty years, has been licensed by our Government, and fostered by our body politic; as were my relatives, Wendell Phillips, Oliver Wendell Holmes, William Ellery Channing, and Charles H. Dana, instrumental in abolishing man slavery, I shall feel that I have done something to aid our country in its onward march in human progress.

If I can temper the vitriolic lambasting of Phillips with the poetic geniality of Holmes, and weave in moral influence of Channing; and present this in the forceful style of Charles H., and descriptive of Richard H. Dana, perhaps the people will believe me.

I fully realize what we are up against. A swindler, backed by \$500,000,000, coupled with 40 years of accumulated speculative gambling paraphernalia, much of it inherited from his father, who reigned for over thirty years, king of the damnable business.

Here is a person, prepared and fortified as I have stated. Prepared to deceive and rob the people. What an education.

What will be meted out to him in the end of his career? He should not forget what was meted out to his father, near the close of his mortal existence. For three years his life was a blank; and he had to be led around as you would lead an imbecile. What a retribution.

Dragon Junior better "take heed lest he fall."

As this book goes to press, I note that Canada has taken "Sweeping and drastic measures" and applying these to those who combine to raise the prices of necessities of human life. Our Government could not do better as a preliminary than to follow suit and jail Dragon, for a long term, as *his game* is a hundred times more erronious, for he carries his point by means of wind trades, or base illigitimate methods.

Waiving any acknowledgment of a so-called "business," the point I wish to bring before your attention is this. Is this even a fair gambling proposition for the citizens of any State of our Union to engage in? A "business" where 98% lose 85% of their capital or margin which they have sent on to Chicago to back up their bets. These bets, which are misguided by the dope wired by Dragon and his Henchmen. This same dope so cooked that they are bound to bet on the wrong side. This is exactly the state of affairs at the present time, and isn't it strange that any one of intelligence will engage in this wind farce? And isn't it a wonder that they, who know that it is a swindle, will shake paws with

Dragon and ride in his Juggernaut? And yet, many of our brightest intellects, in all walks of business or profession, are made wrecks on the sea of financial life.

I sincerely hope that you will be influenced by these pages, and see to it that steps be taken by your Congressman, to influence our President to make some recommendation toward eradicating this evil; that added financial peace and more of human happiness be guaranteed. For any one who sends margins by the tens of thousands to the Chicago Board of Trade, knowing that only a small per cent will be returned to the rightful owner; and no one knows this better than the keepers of Dragon's Sub-Hoppers; namely, the Branch Broker Offices; *is a traitor to the state in which he lives.*

Now my dear readers, in closing, I have this to say to Dragon.

Dragon, in the name of your Maker, give up this thirst for money and blood; this serpent deceit and ruthless slaughter of the innocent and guilty. Take the hundreds of millions robbed from the people by Dragon Senior and yourself, which are now in your keeping, and give them back to those from whom you so cruelly took them, or to the United States; and thus, in some degree, pave the way for your pardon before God!

APPENDIX I

LIST OF REFERENCE BOOKS

Here is a valuable array of literature tabulated by the author with which those interested can more widely investigate this evil for themselves. These are to be found in the Carnegie Public Libraries.

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Historic Towns, by Powell (4 vols.). Bygone Days in Chicago, by Cook. Brief and Argument No. 1032, U. S. Court of Appeals, for the Seventh Circuit (Board of Trade of the City of Chicago vs. The L. A. Kinsey Co. et al.), by Charles D. Fullen. The Purchasing Power of Money, by Prof. Irving Fisher of Yale. T. E. Burton's "Crises and Depressions." R. W. Bobson's "Business Barometers." Norman Angell's "The Great Illusion," "Corporation Finance," by Edw. S. Meade and Wm. H. Lough.

Consult Subjects, Biographies and Tables of Contents in the Reference Rooms of our City Libraries, for extended Accounts. Many Subjects are outlined in Chapter One of this book.

APPENDIX II.

PERSONAL EXPERIENCES

A LETTER FROM A BROKER OF FIFTEEN YEARS' EXPERIENCE

....., December, 1915.

James H. Howe,
Seattle, Wn.

Dear Mr. Howe:—

"If there is any of the inclosed you wish to use, it may be of some help to you in your work; or if there is any other part of the game that I can help you at, let me know. I feel that if you put what you have in the right form, you have good ground work for a splendid exposition of a present evil."

"There can be no mistake in comparing most of the patrons of the so-called commission and bucket shop houses throughout the country to-day, with the old time gamblers of by-gone days, who were the support of the "Licensed Gambling" joint, since put out of business in the west by the legislatures of their respective states. At one time these gambling joints were looked upon as "legitimate," in a way, as they were licensed by the state to do business and very few people living in the vicinity in which they were run have not, at one time or another, "dropped in" to see the game.

In the early part of 1890, the writer arrived in Montana, and in the city of Helena was surprised to notice on their main street, within a stone's throw of the center of business part of that city, no less than five or six large gambling houses advertising their business by signs over their doors, reading "The Capitol Gambling House", "The State Gambling" etc., all being followed with the non de plume "licensed." It was seldom the case that the big stakes played for; and I can recall one instance where one "Brockey Pete" (otherwise unknown for a better name) was supposed to have won \$46,000 from old Atlas. The game lasted something over fifty hours, and had been visited by nearly every man in town, even the preachers just dropped in to see the gamblers playing for their high stakes.

Butte, Spokane, Seattle, Portland, San Francisco and all the large cities on the western coast, were noted for their gambling halls, which flourished with their numerous games of chance such as faro, black-jack, stud-poker, roulette wheels, etc. Probably one of the largest places of the kind in the west, was the old "Combination" in Butte, which had the name of being the place where any old kind of a game was acceptable, and the sky the limit. After wiping these out, they were followed up to a considerable extent by the bucket-shops; where gambling was

done on the prices of the New York Stock Exchange and the Chicago Board of Trade. If the would-be patrons could only have seen how dishonestly these places were run—in the way of juggling of figures, in order to catch their limits and get the money, the old-time faro game would look like a Christian church compared to it. The Federal laws of the United States were finally called in to wipe these joints out of existence, being helped to some extent by the regular Board of Trade commission houses, acting in a way as competitors for business. How the latter have held out, against some stringent government control, cannot be explained; as there is, without doubt, as much dishonesty in the commission house as there was in the old bucket-shop way of getting the money; only perhaps in a little more genteel way of going down into their clients' pockets after the money.

It is very seldom that an outsider who is a habitual "trader" is allowed to carry away the money very far. Statistics show that 85 to 90 per cent of the public's money is lost in the game. The show is always over before they get started on the right track, and invariably the market is going in the opposite direction from which they are advised to play the market, by their broker. The broker cannot be blamed in but few cases, as he does not know the cards as they are laid; but the manipulators, the big men of the stock exchanges, who are feeling out at all times for the little man's money and using their cunning devices of all kinds to get it.

Once in a great while, a man can be found who has "beat" the game. One case comes to the writer's knowledge, where a young man recently arrived from the eastern metropolis, short of funds but educated to the game, as most New Yorkers are. After locating in a western city and securing a position, which was barely enough for his existence, he managed, by careful economy in clothing and other necessities of life, to rake and scrape up the desired amount to margin a few shares of stock. Invariably he lost and how much will never be known, as he added to the amount every month and was never ahead of the game.

By a great stroke of luck, this individual "got right with the market, and on the small amount of \$83 margin soon run the figures up to over \$5,700. This may seem strange to some, but for one so well acquainted with the game as he, and with unlimited nerve, it was an easy matter by continuous doubling up and plunging. Before the total amount was reached, 500 shares of stock were dealt in at one time, compared to 10 shares at the start. You would naturally think that a person who had been down and out since the panic of 1907, and who had experienced all kinds of hardship in order to keep soul and body together and play the market at the same time, would have been satisfied to quit, or at least with the greater part of his winnings.

He was urged at this point by a conservative broker, who through pity as much as anything else, advised him to put the \$5,000 away, and if he was inclined to continue in the game, play only the \$700 back. This he decided to do, but it was only a short while until the market

had all the money back, and the poor "boob" was in the same straightened circumstances as before, with little or no resources, and with that imbued microbe still working, which causes a great craving to "win" on this or that stock. The last heard of this young fellow, he was still watching the chalk with eager eye, and with about as much chance to make a fortune, as to pluck a rose from a snow bank.

I could recite several cases where winnings have been made, but to our knowledge very few, if any, large amounts are taken out of the business, merely played back and all go the same old way. As to the losses, no one can describe or estimate how much they amount to throughout the country in a day. You will say, where one loses some one must win. Certainly they do, and there is where the insiders, or men who make the markets, get the money. We have known of cases where \$5,000 or \$10,000 have been put on margining stock or grain, and not one winning made: simply all wiped out from start to finish. Again, players will lose small amounts and put up more to get them back, and then no doubt lose more, etc. In other cases, they will make small winnings and get "Brave" and plunge, perhaps losing all the original capital as well as the small profits.

The government is watching the movements of the different exchanges all the while, and will no doubt restrict them so it will be impossible to bleed the lambs as they have been bled during the past. The tax incurred at the present time on all sales has been of marked assistance in stopping "wash-sales," although they have not been entirely done away with. We can look forward to the time the government will control the telegraph and telephone lines of this country and in that way curtail the gambling by wire, which constitutes nearly three-quarters of the business done of either of the great exchanges of New York and Chicago. The first step in this direction will be the laws forbidding gambling in food-stuffs, which has been a detriment to this country for decades, and at present it has been impossible of elimination. This later will be followed by flat refusal to lease wires for stock gambling purposes. The Postal Telegraph has already been scared into line, and no doubt other companies will soon feel obliged to follow suit.

Straightforward honest investment in securities should not be discouraged, but dishonest manipulation in prices of securities must be halted; and this is being done as fast as possible, through rigid investigation and exposure, as has been made in the New Haven railroad affairs, as well as that of the Rock Island Company.

Trading in foodstuff and securities on a margin with no intent of purchase, is the part of the game which will be done away with, and already several conservative brokerage houses in New York City are refusing trades on margins from their clients. Good clean brokerage business can be handled and at a profit, and part-payment plan, and is thus being carried on to-day. But the manipulation end of the game, we believe, is about to be quashed, the same as the old Gambling Joints and Horse-Race games have been put out of business."

A.

A THOROUGH TEST WITH THE USUAL RESULTS

Mr. Jas. H. Howe,
Seattle, Wash.

December 17, 1915.

Dear Sir:—

Knowing that you are about to publish a book exposing Rabid Speculation, and that you desire to include several experiences from those who have battled with the Devil Speculation, I forward my experience, with the hope that it may prove a warning to our young men.

I was led into speculation many years ago, and lost what little I had accumulated from time to time, say a total of four or five thousand dollars. I would read the "dope" sent out; compare this year's crops with the year before; listen to this and that wise guy of the markets; watch the quotation Boards, etc.; only to find after dangling, for a decade, between a financial heaven and hell that I was wrong on the market nearly every time when the show down came.

I can now plainly see that the wires, reports and bulletins were just so many adjuncts to the snares set for me and thousands of others, to have us deposit our money where we would never get it back again.

You are certainly on the right track to overthrow this evil; and I glory in your pluck at attack such a formidable menace to the success and happiness of our homes. If you knew the suffering I have caused my family by my wasting of thousands so needed in our home, you would certainly grieve with all of us.

Whatever those manipulators may try to do to circumvent your efforts, keep steadfast in your work and thousands of us will rise up and bless you.

Yours respectfully,

B.

A LETTER FROM ONE WHO KNOWS

Mr. J. H. Howe,
Seattle, Wash.

, Dec. 26, 1915.

Dear Sir:—

"Here is an experience which came under my immediate notice, and some \$9,000 was dropped in a shorting of Northern Pacific Railway Stock."

"To be termed a "Dub" in the Stock Exchange circles, is almost equal to being called some vile name, and is liable to show up the Irish in most any one. Several years ago, during the boom days of the Exchange, when a person could buy most any stock and become a would-be millionaire over night, a certain owner and manager of a large brewery in one of our northwestern cities conceived the idea that nothing could go so high but what it would have to fall, according to the law of gravitation; and sold 200 shares of Northern Pacific at \$180 per share. He did not have the stock to deliver, but went short of the market, depending upon the broker to supply the stock for delivery. At that time, Northern Pacific was on its famous rise to \$1,000 per share, being cornered by some of the great magnates of Wall Street. Of course, this was not known by the outside public at that time.

Shortly after that sale was made, N. P. started up by leaps and bounds, sales being at \$10 to \$20 between. It took several large cheques to keep up with the margin calls that were immediately made; but as the brewer was possessed of considerable wealth, it was put up by him as the calls were made. At the close of one day's business, a little over \$1,300 was left to his credit out of \$5,000, which ordinarily would be a fair margin upon 200 shares.

But this proved insufficient, as on that fatal day, May 9, 1901, one of the greatest and swiftest bull panics struck the Stock Market, caused by the above mentioned corner, which started Northern Pacific up to the \$1,000 mark, while the remainder of the market sank in the opposite direction with a thud. Before "Mr. Brewer" knew what had struck him, he was nearly wiped off the map, as the saying is; and out of his \$10,000 he had paid to protect a short sale of something he did not have, a little less than \$700 was to his credit, when the broker closed out the account and bought the stock in to cover his short commitment. His only remark was that "If I had taken anything but Northern Pacific, I would certainly have made a killing," which he would; but the great "if" had been the stunner. It simply demonstrated that the market prices of stock do not always travel together; and one may never know what is being done behind the curtain, by the men who "make the market."

C.

THOROUGH STUDY OF CROPS OF NO BENEFIT

Mr. Jas. H. Howe, Dec. 26, 1915.
Seattle, Wash.

My Dear Sir:—

I desire to add some of my experiences to those you are compiling. I am one of the "sorely afflicted" ones. I have been a fair student of crop statistics; supply and demand, both domestic and foreign, receiving attention; and have based my trades upon these. I was considered a crop statistic expert, and many would come to me for figures and advice. But all my study was not worth a "tinker's dam" when it came to trying to achieve success in trading from the board. I now believe as you do, that I was confused by hanging around the quotation board. I would try my luck also with some bucket shops. Would make a little, lose more; and four times out of five, the bucket shop would "grow groggy and bust." My last deal was with a reliable (?) brokerage house, and was showing me a profit, after a series of losses upon other deals; and I'll be darned if this firm, considered strong and reputable, did not turn turtle and blow out, and I lost over five hundred dollars. I am done with this faro game, where you do not have chance to even make day's wages, to say nothing of the enormous losses; and my advice is for every one else to quit and attend to legitimate business.

Your exposing book ought to have a wide circulation for the good of our Nation; and I feel that it will, if you give it the right publicity. I shall watch the effect upon my immediate circle and report.

Yours truly,

D.

AN ECONOMIC AND
FINANCIAL BOOK UPON RABID SPECULATION

THE
DRAGON AND JUGGERNAUT
OF
SPECULATION

By
JAMES HAMILTON HOWE, M. B.
(Of Boston and DePauw Universities)

As Exemplified in Gambling, in Prices of Our Food Products, a Factor in Causing
HARD TIMES, HIGH COST OF LIVING AND LABOR UNREST
RAVAGERS and DESTROYERS of the HOME

(Originally taken up as a hobby, the writer was urged to develop the subject
into the form of lectures for the general good and protection of our people, and for
special delivery before the higher classes of Colleges, Normal and High Schools,
Chautauquas, Church Men's Clubs and Leagues. The book was written at the sug-
gestion of a broker of fifteen years' experience, now retired.)

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APPENDIX IV.
ARTICLES OF PROTEST

Tear off along this line.

PROTEST AGAINST GAMBLING IN FOOD PRODUCTS

ARGUMENT

To THE PRESIDENT OF THE UNITED STATES OF AMERICA:
We the undersigned, Deplore that a Form of Speculative Gambling In Food Products, is now being carried on, in our midst, under the Title of "Options," and Licensed by our Government, under the deceitful Garb of "Business." This Form of Gambling has continued for over Sixty Years, and has taken Hundreds of Millions of Dollars from our People, and is adding Millions each year to this Total; causing Moral and Financial Ruin among us; and Disruption and Annihilation of the Home.

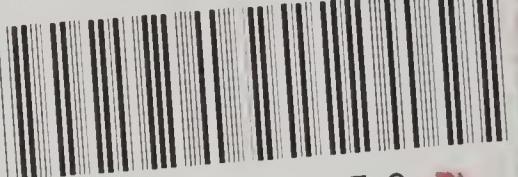
We, herewith, Argue Strongly against this Evil, and urge the Repeal of Said License; and that Said "Business," carried on under the Cruel System of "Short Selling," so disturbing to the World's Bread, so Harmful to Our People and Disastrous to the Home, Be Abolished.

NAME _____
ADDRESS _____

(Secure several signers, who must be voters, and forward to the President.)

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